

Colorado New Retail Car and Light Truck Registrations - History and Forecast										
	Registrations					Market Share				
	Units		Percent Change			Share (%)			Change	
	2004	2005	Forecast 2006	'04 to '05	'05 to '06	2004	2005	Forecast 2006	'04 to '05	'05 to '06
TOTAL	176,028	172,646	168,754	-1.9%	-2.3%					
Acura	2,562	2,709	2,598	5.7%	-4.1%	1.5	1.6	1.5	0.1	-0.1
Audi	2,064	2,061	2,020	-0.1%	-2.0%	1.2	1.2	1.2	0.0	0.0
BMW	2,343	2,347	2,590	0.2%	10.3%	1.3	1.4	1.5	0.1	0.1
Buick	1,759	1,460	1,142	-17.0%	-21.8%	1.0	0.8	0.7	-0.2	-0.1
Cadillac	2,109	1,814	1,684	-14.0%	-7.2%	1.2	1.1	1.0	-0.1	-0.1
Chevrolet	21,666	19,157	16,657	-11.6%	-13.1%	12.3	11.1	9.9	-1.2	-1.2
Chrysler	3,000	3,219	2,990	7.3%	-7.1%	1.7	1.9	1.8	0.2	-0.1
Dodge	12,800	11,753	11,057	-8.2%	-5.9%	7.3	6.8	6.6	-0.5	-0.2
Ford	27,193	24,697	22,919	-9.2%	-7.2%	15.4	14.3	13.6	-1.1	-0.7
GMC	7,797	7,183	6,273	-7.9%	-12.7%	4.4	4.2	3.7	-0.2	-0.5
Honda	14,355	15,437	16,051	7.5%	4.0%	8.2	8.9	9.5	0.7	0.6
Hummer	312	580	730	85.9%	25.8%	0.2	0.3	0.4	0.1	0.1
Hyundai	3,666	3,817	3,852	4.1%	0.9%	2.1	2.2	2.3	0.1	0.1
Infiniti	1,011	1,112	1,098	10.0%	-1.3%	0.6	0.6	0.7	0.0	0.1
Isuzu	370	200	144	-45.9%	-28.0%	0.2	0.1	0.1	-0.1	0.0
Jaguar	357	212	130	-40.6%	-38.8%	0.2	0.1	0.1	-0.1	0.0
Jeep	7,947	8,416	8,527	5.9%	1.3%	4.5	4.9	5.1	0.4	0.2
Kia	3,177	2,839	2,739	-10.6%	-3.5%	1.8	1.6	1.6	-0.2	0.0
Land Rover	565	678	747	20.0%	10.2%	0.3	0.4	0.4	0.1	0.0
Lexus	3,280	3,404	3,709	3.8%	9.0%	1.9	2.0	2.2	0.1	0.2
Lincoln	848	672	749	-20.8%	11.5%	0.5	0.4	0.4	-0.1	0.0
Mazda	2,305	2,504	2,678	8.6%	7.0%	1.3	1.5	1.6	0.2	0.1
Mercedes	1,467	1,757	1,919	19.8%	9.2%	0.8	1.0	1.1	0.2	0.1
Mercury	730	847	866	16.0%	2.2%	0.4	0.5	0.5	0.1	0.0
Mini	379	445	416	17.4%	-6.6%	0.2	0.3	0.2	0.1	-0.1
Mitsubishi	1,240	982	920	-20.8%	-6.3%	0.7	0.6	0.5	-0.1	-0.1
Nissan	7,717	9,131	8,948	18.3%	-2.0%	4.4	5.3	5.3	0.9	0.0
Pontiac	2,403	2,255	2,091	-6.2%	-7.3%	1.4	1.3	1.2	-0.1	-0.1
Porsche	461	391	417	-15.2%	6.7%	0.3	0.2	0.2	-0.1	0.0
Saab	696	727	583	4.5%	-19.8%	0.4	0.4	0.3	0.0	-0.1
Saturn	4,110	3,144	3,469	-23.5%	10.3%	2.3	1.8	2.1	-0.5	0.3
Subaru	7,401	7,832	7,554	5.8%	-3.5%	4.2	4.5	4.5	0.3	0.0
Suzuki	813	914	1,348	12.4%	47.5%	0.5	0.5	0.8	0.0	0.3
Toyota (incl. Scion)	19,568	20,762	22,241	6.1%	7.1%	11.1	12.0	13.2	0.9	1.2
Volkswagen	5,076	4,500	4,718	-11.3%	4.8%	2.9	2.6	2.8	-0.3	0.2
Volvo	2,319	2,445	2,038	5.4%	-16.6%	1.3	1.4	1.2	0.1	-0.2
Others	162	243	143	50.0%	-41.2%	0.1	0.1	0.1	0.0	0.0

Historical Data Source: AutoCount, an Experian Company

**Colorado Auto Outlook**

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# Colorado Auto Outlook™

Comprehensive Information on the Colorado Automotive Market

Released July, 2006 (Covering Second Quarter, 2006)

## New Retail Registrations In Colorado Predicted to Post Small 2.3% Drop in 2006

As discussed in the past several issues of Auto Outlook, the majority of key indicators have been pointing to a slowdown in Colorado new vehicle sales. And it would appear as though the market is indeed poised to soften during 2006, and most likely into 2007 as well. Despite attractive incentive offers, and the increasingly impressive array of new product offerings, the negative forces impacting the market appear to be too strong to overcome.

Why has the overall climate for new vehicle sales turned somewhat cloudier? To begin with, consumer debt levels are hovering at near record high levels. And for the first half of this year, the household savings rate was negative, meaning that households dipped into savings to fuel spending. Add to this the softening housing market and it's easy to see why consumers are likely to apply the brakes to their spending habits over the next year or so. What's more, economic growth is slowing, fuel prices are at record highs,

inflation is creeping back into the picture, and interest rates continue to move higher. It is not a pretty picture.

But the picture is not completely bleak. There are several compelling reasons to believe that any sales slump will be relatively mild and short-lived. Productivity and income growth continue to be strong, and although most economists expect the economy to cool off over the next several quarters, GDP growth should still be at fairly strong levels. In addition, as mentioned previously, the manufacturers continue to serve up impressive new products that regularly hit consumer hot buttons. This should provide sufficient motivation for shoppers to make the trip to Colorado new vehicle dealerships.

**Forecast summary:** New retail light vehicle registrations for all of 2006 are expected to exceed 168,000 units and decline 2.3% from 2005. A 3% drop is predicted for 2007. (More details on the 2007 forecast in the next issue.)

### COLORADO MARKET SUMMARY

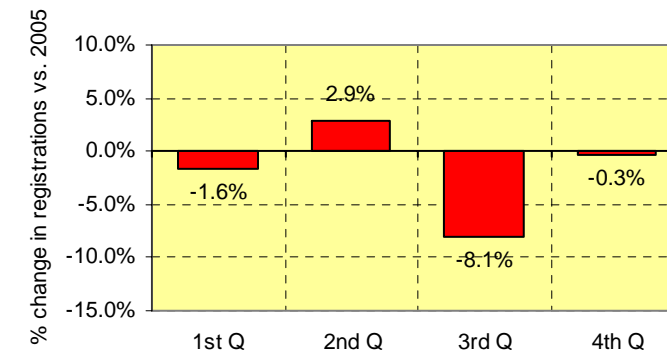
- ❑ New retail light vehicle registrations predicted to decrease 2.3% for all of this year vs. '05.
- ❑ Market increased 2.9% in the Second Quarter of this year versus year earlier. Small decline predicted for the Fourth Quarter (see below).
- ❑ Sub Compact Car segment posts biggest gains in Colorado market during first half of this year (see page 3).
- ❑ Domestic brand market share declined 4.6 points in first half of 2006 (see page 6).
- ❑ Toyota (including Scion) moved into first place in Second Quarter (see below).
- ❑ Pitkin County market improves 8.3% (see page 2).

## The Colorado New Retail Light Vehicle Market — At a Glance

Summary 1. Top Ten Scoreboard

1st QUARTER, 2006			2nd QUARTER, 2006			Change in mkt. Share
Rank	Make	Share	Rank	Make	Share	
1	Ford	13.3%	1	Toyota	14.4%	1.3%
2	Toyota	13.1%	2	Ford	13.3%	0.0%
3	Honda	10.0%	3	Honda	9.5%	-0.5%
4	Chevrolet	9.4%	4	Chevrolet	9.4%	0.0%
5	Dodge	6.2%	5	Nissan	5.9%	0.8%
6	Nissan	5.1%	6	Dodge	5.9%	-0.3%
7	Subaru	4.8%	7	Subaru	5.2%	0.4%
8	Jeep	4.8%	8	Jeep	4.4%	-0.4%
9	GMC	3.7%	9	GMC	3.2%	-0.5%
10	Volkswagen	2.9%	10	Volkswagen	2.7%	-0.2%

Summary 2. 2006 Quarterly Forecast



Summary 3. Annual Review and Forecast

	Forecast			% ch.
	2004	2005	2006 '05 to '06	
TOTAL	176,028	172,646	168,754	-2.3%
Car	68,914	72,489	74,252	2.4%
Light Truck	107,114	100,157	94,502	-5.6%
Big Three	92,674	85,197	79,153	-7.1%
Japanese	60,622	64,987	67,289	3.5%
European	15,889	15,806	15,721	-0.5%
Korean	6,843	6,656	6,591	-1.0%

The three summaries provide an overview of the Colorado new retail light vehicle market. The table above shows the **Top Ten** sellers in the state during the First and Second Quarters of this year, and the change in market share for each brand. **Quarterly Forecast** presents the change in registrations during each Quarter of this year versus 2005. The **Annual Review** table on the right shows our forecast for 2006, and actual figures for 2004 and 2005.

Source for historical data: AutoCount, an Experian Company

County Scoreboard

### Pitkin and Summit County Markets Up by More Than 5% So Far This Year

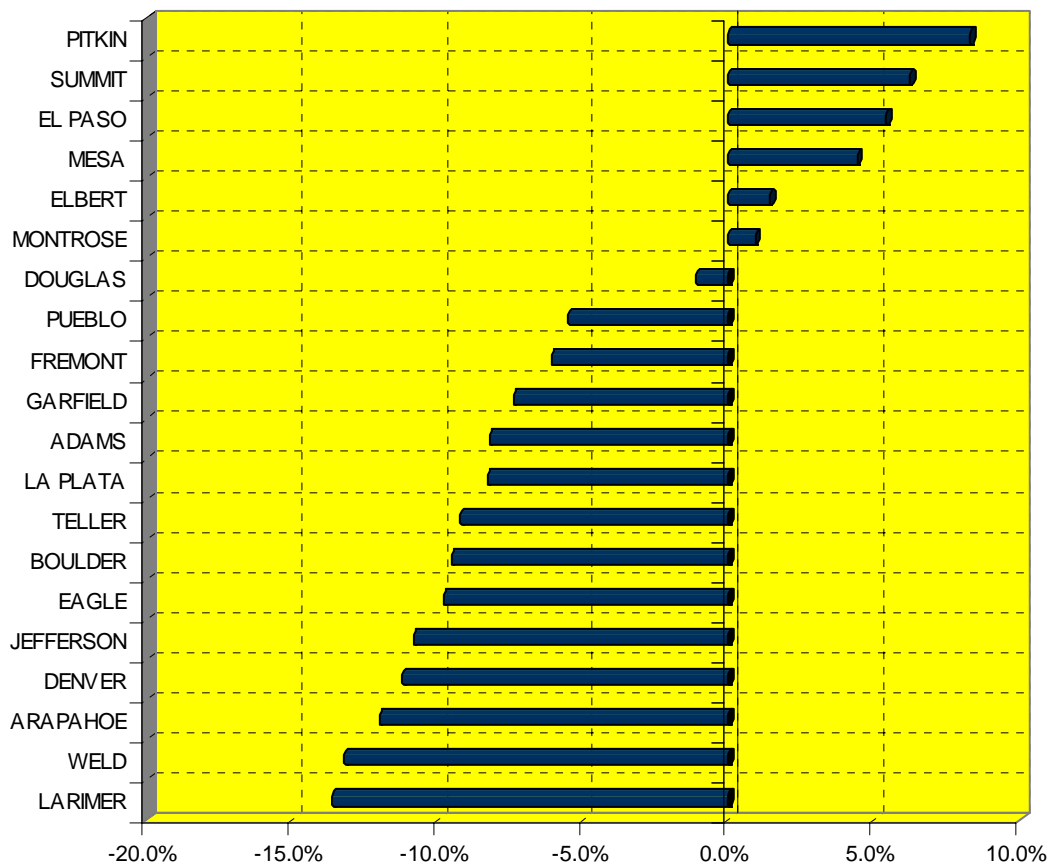
The table below and graph on the right provide a thorough summary of each of the top 20 county new retail light vehicle markets in Colorado. This unique county-level information provides a valuable perspective on local market performance, and a barometer to evaluate the performance of your dealership.

The table shows new retail light vehicle registrations during the first six months of 2005 and 2006, and the percent change (also shown on the graph). The table also shows each county's share of the statewide market, and the change in share over the past year. Light truck market share is also listed.

Pitkin County had the highest increase in registrations, up 8.3%. Light truck market share declined in 17 markets.

Note: The top five rated counties in each category are shaded. Source: Cross Sell Reports

Percent Change in New Retail Car and Light Truck Registrations for Top 20 County Markets in Colorado, YTD '06 (thru June) vs. Year Earlier



COUNTY SCOREBOARD FOR TOP 20 COUNTY MARKETS IN COLORADO - YTD (thru June)									
COUNTY	NEW RETAIL REGISTRATIONS			SHARE OF STATE MARKET			LIGHT TRUCK MARKET SHARE		
	2005	2006	% ch	2005	2006	CHANGE	2005	2006	CHANGE
ADAMS	6273	5757	-8.2%	7.3	7.2	-0.2	58.8	53.0	-5.8
ARAPAHOE	9900	8710	-12.0%	11.6	10.8	-0.8	58.7	53.9	-4.8
BOULDER	4884	4419	-9.5%	5.7	5.5	-0.2	54.7	53.8	-0.9
DENVER	7817	6944	-11.2%	9.2	8.6	-0.5	53.4	50.2	-3.2
DOUGLAS	7545	7462	-1.1%	8.8	9.3	0.4	64.0	61.4	-2.5
EAGLE	1320	1191	-9.8%	1.5	1.5	-0.1	71.8	73.9	2.1
EL PASO	9695	10222	5.4%	11.4	12.7	1.3	59.8	54.3	-5.5
ELBERT	489	496	1.4%	0.6	0.6	0.0	69.7	70.8	1.0
FREMONT	556	522	-6.1%	0.7	0.6	0.0	66.0	63.0	-3.0
GARFIELD	1319	1222	-7.4%	1.5	1.5	0.0	71.7	71.3	-0.4
JEFFERSON	11947	10658	-10.8%	14.0	13.2	-0.8	60.2	56.1	-4.1
LA PLATA	1059	971	-8.3%	1.2	1.2	0.0	75.5	71.2	-4.4
LARIMER	5107	4415	-13.6%	6.0	5.5	-0.5	61.4	57.1	-4.2
MESA	2001	2090	4.4%	2.3	2.6	0.3	67.4	66.3	-1.1
MONTRORSE	545	550	0.9%	0.6	0.7	0.0	75.0	72.0	-3.0
PITKIN	457	495	8.3%	0.5	0.6	0.1	71.6	80.8	9.3
PUEBLO	1756	1660	-5.5%	2.1	2.1	0.0	59.1	56.0	-3.1
SUMMIT	694	737	6.2%	0.8	0.9	0.1	73.8	73.0	-0.8
TELLER	541	491	-9.2%	0.6	0.6	0.0	74.5	71.3	-3.2
WELD	4839	4199	-13.2%	5.7	5.2	-0.5	63.1	58.8	-4.3

Car Registrations

### Honda Civic Best Selling Car in Colorado Market During First Half of This Year

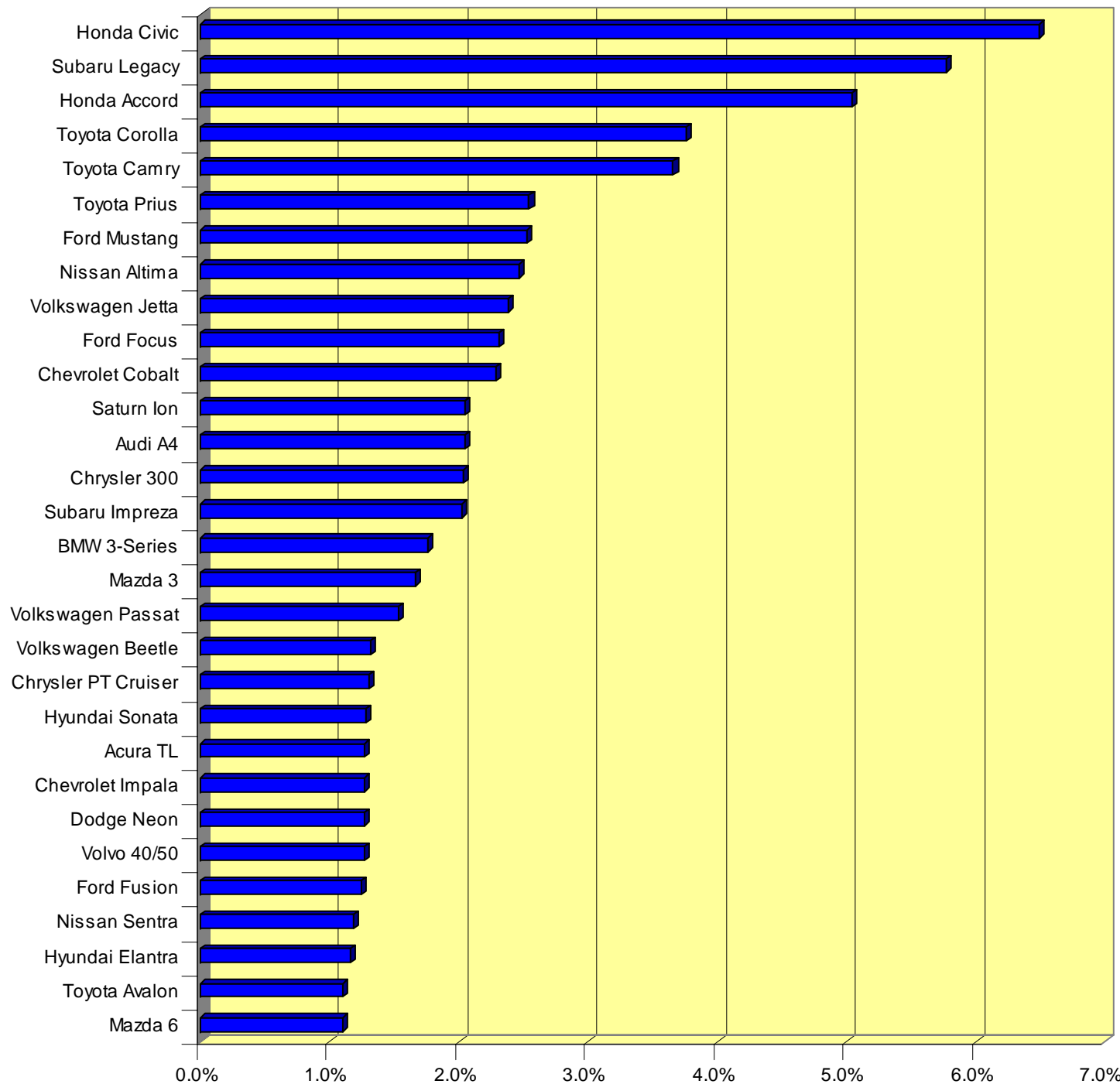
The graph below shows market share for each of the top 30 selling car models in the Colorado retail market during the first six months of this year.

Honda Civic was the leader in the state, accounting for 6.4% of the market. Subaru Legacy was second, followed by Honda Accord, Toyota Co-

rolla, Toyota Camry, Toyota Prius, Ford Mustang, and Nissan Altima.

Source: AutoCount, an Experian Company.

Share of Colorado Market for Top 30 Selling Models YTD 2006 thru June



**Market Tracker**

**Japanese Brand Market Share Increases 4.2 Points During First Half of This Year**

The graph below tracks the changing composition of the Colorado market. As shown on the graph, the Big Three (consisting of "traditional domestic" brands) lost 4.6 market share points in the first half of this year versus a year

earlier. (Big Three does not include import brands owned by GM and Ford, such as Volvo and Saab.) Japanese brand market share increased 4.2 points, with Toyota (including Lexus and Scion) increasing 1.7 points.

European brand share was up 0.5 of a point, while Korean brand share was down slightly.

Source: AutoCount, an Experian Company.

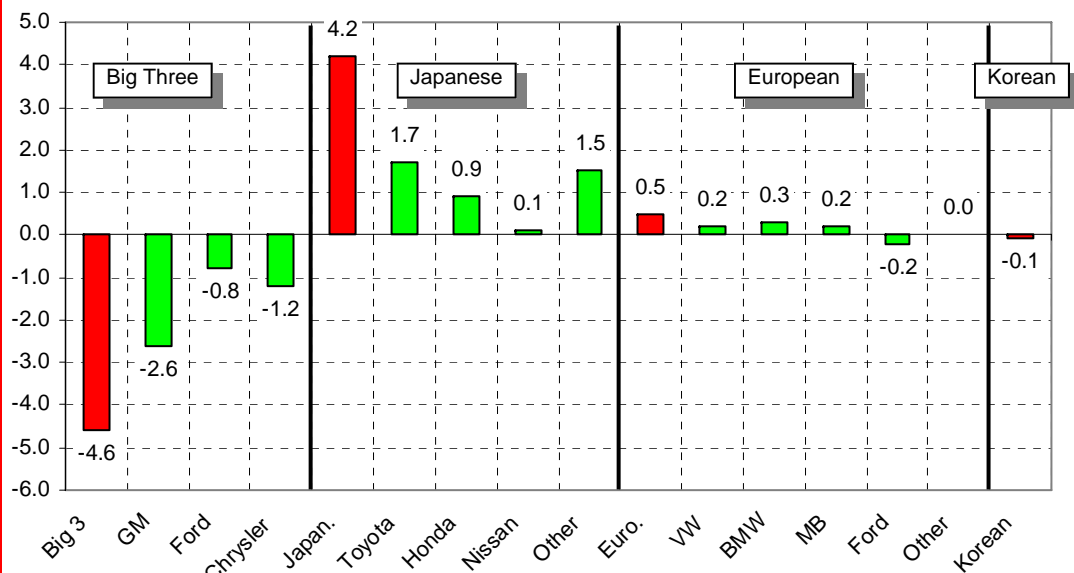
**Data Source Information**

Exclusive source for new vehicle registration data presented in *Colorado Auto Outlook* is AutoCount, an Experian Company. AutoCount specializes in providing detailed new and used vehicle sales and registration statistics. Consider AutoCount as a source for sales data covering your local market. AutoCount provides new and used vehicle registration data with specific make and model detail for customized geographies. Data is available directly over the Internet.

For more information on Auto Count, call 407.770.5900 or visit AutoCount's web site: [www.autocount.com](http://www.autocount.com)



**Change in New Retail Light Vehicle Market Share—YTD 2006 (thru June) vs. Year Earlier**



**Brands included above:** Big 3: GM (Buick, Cadillac, Chevrolet, GMC, Hummer, Oldsmobile, Pontiac, and Saturn), Ford (Ford, Lincoln, and Mercury), Chrysler (Chrysler, Dodge, and Jeep). **Japanese:** Toyota (Toyota, Lexus, and Scion), Honda (Honda and Acura), Nissan (Nissan and Infiniti), Other (Isuzu, Mazda, Mitsubishi, Subaru, and Suzuki). **European:** VW (Audi, Bentley, and Volkswagen), BMW (BMW, Rolls Royce, and Mini), MB (Mercedes Benz), Ford (Aston Martin, Jaguar, Land Rover, and Volvo), Other (Ferrari, Lotus, and Maserati). **Korean:** Hyundai and Kia.

**New Retail Light Vehicle Market Comparison—Colorado vs. U.S.**

	Colorado Market	Denver Metro Market	U.S. Market
<b>Market Growth</b> % change in registrations YTD '06 (thru June) vs. YTD '05	0.6%	3.2%	-0.3%
<b>Car Market Share</b> Car share of industry retail light vehicle registrations - YTD '06 (thru June)	45.0%	48.0%	49.6%
<b>Domestic Brand Market Share</b> Domestic brand share of industry retail light vehicle registrations - YTD '06 (thru June)	45.1%	40.4%	49.8%
<b>Top Selling Retail Brands</b> Top selling light vehicle brands and market share - Second Quarter 2006			
First	Toyota 14.4%	Toyota/Scion 14.8%	Ford 13.9%
Second	Ford 13.3%	Ford 11.7%	Chevrolet 13.3%
Third	Honda 9.5%	Honda 10.8%	Toyota/Scion 13.2%
Fourth	Chevrolet 9.4%	Chevrolet 8.9%	Honda 8.2%
Fifth	Nissan 5.9%	Nissan 5.6%	Dodge 6.7%
Sixth	Dodge 5.9%	Subaru 5.1%	Nissan 6.1%
Seventh	Subaru 5.2%	Jeep 4.6%	Chrysler 3.7%
Eighth	Jeep 4.4%	Dodge 4.5%	Hyundai 3.1%
Ninth	GMC 3.2%	Lexus 3.0%	Jeep 2.6%
Tenth	Volkswagen 2.7%	Volkswagen 2.9%	GMC 2.5%

**Segment Watch**

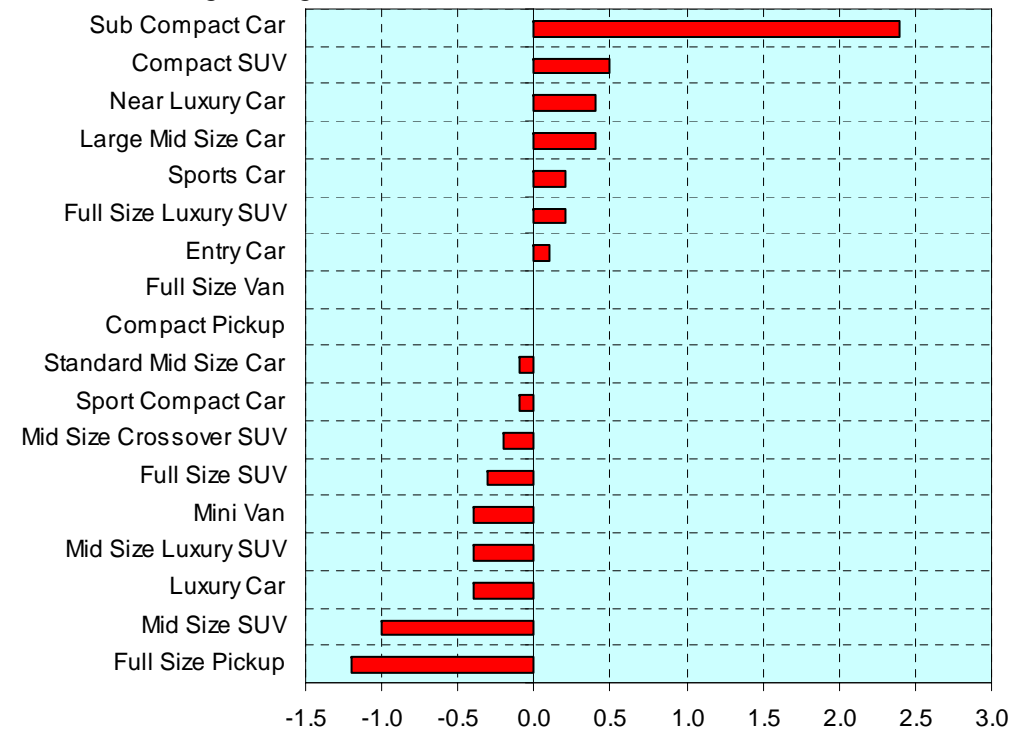
**Sub Compact Car Segment Records Big Gains in Colorado Market**

The information on this page provides information on the make-up of the Colorado light vehicle market during the first half of this year. The graph on the right provides a snapshot of market segments that have lost or gained market share during the first six months of this year versus the same period a year earlier. The table below shows the top sellers in each segment.

**Observations:** Higher fuel prices and strong sales of the redesigned Honda Civic led the Sub Compact Car segment to the highest market share gain, up 2.4 share points. The Full Size Pickup and Mid Size SUV segments had the largest market share declines. Audi A4 was the best-selling Near Luxury Car in Colorado.

Source: AutoCount, an Experian Company.

**Change in Segment Market Share-YTD '06 (thru June) vs. YTD '05**



**Top Five Selling Models in Each Segment - Colorado**  
New Retail Registrations, YTD '06 (thru June) and Market Share of Segment

Cars											
Entry			Sub Compact			Sporty Compact			Standard Mid Size		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Chevrolet Aveo	312	35.2	Honda Civic	2253	16.7	Ford Mustang	876	52.6	Subaru Legacy	2004	23.1
Scion xA	170	19.2	Toyota Corolla	1304	9.6	Scion tC	290	17.4	Honda Accord	1750	20.2
Kia Rio	135	15.2	Toyota Prius	883	6.5	Mitsubishi Eclipse	191	11.5	Toyota Camry	1270	14.7
Toyota Yaris	112	12.6	Volkswagen Jetta	826	6.1	Acura RSX	118	7.1	Nissan Altima	854	9.9
Hyundai Accent	93	10.5	Ford Focus	800	5.9	Hyundai Tiburon	96	5.8	VW Passat	531	6.1
Large Mid Size			Near Luxury			Luxury			Sports Car		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Chrysler 300	707	20.4	Audi A4	710	19.0	Mercedes E-Class	269	13.6	Chevrolet Corvette	198	23.9
Chevrolet Impala	439	12.7	BMW 3-Series	612	16.4	BMW 5-Series	230	11.7	Nissan 350 ZX	114	13.8
Toyota Avalon	382	11.0	Acura TL	440	11.8	Lexus GS	158	8.0	Mazda MX5	105	12.7
Nissan Maxima	258	7.5	Volvo 40/50	439	11.8	Cadillac DTS	139	7.0	Pontiac Solstice	96	11.6
Ford Taurus	212	6.1	Lexus IS	235	6.3	Infiniti M	126	6.4	Porsche 911	69	8.3
Light Trucks											
Compact Pickup			Full Size Pick Up			Mini Van			Full Size Van		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Toyota Tacoma	1251	34.6	Ford F-Series	4733	44.5	Honda Odyssey	130	34.9	Chevrolet Express	227	47.3
Ford Ranger	568	15.7	Chevrolet Silverado	1979	18.6	Ford Freestar	53	14.2	Ford E-Series	160	33.3
Honda Ridgeline	512	14.1	Dodge Ram	1316	12.4	Saturn Relay	37	9.9	GMC Savana	86	17.9
Nissan Frontier	474	13.1	GMC Sierra	1174	11.0	Chevrolet Uplander	36	9.7			
Dodge Dakota	416	11.5	Toyota Tundra	818	7.7	Dodge Caravan	36	9.7			
Compact SUV			Mid Size SUV/Crossover SUV			Full Size SUV			Mid Size & Full Size Luxury SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Honda CRV	1285	15.9	Toyota 4Runner	1827	15.9	Chevrolet Tahoe	1022	28.5	Lexus RX350	828	21.4
Jeep Liberty	1142	14.1	Honda Pilot	1338	11.6	GMC Yukon	942	26.2	Volvo XC90	430	11.1
Ford Escape	907	11.2	Jeep Grand Cherokee	1318	11.5	Ford Expedition	356	9.9	Cadillac Escalade	425	11.0
Nissan Xterra	777	9.6	Dodge Durango	1296	11.3	Toyota Sequoia	299	8.3	Acura MDX	297	7.7
Jeep Wrangler	777	9.6	Subaru Forester	877	7.6	Hummer H3	290	8.1	Land Rover R. R.	248	6.4

**COLORADO BRAND SCOREBOARD**

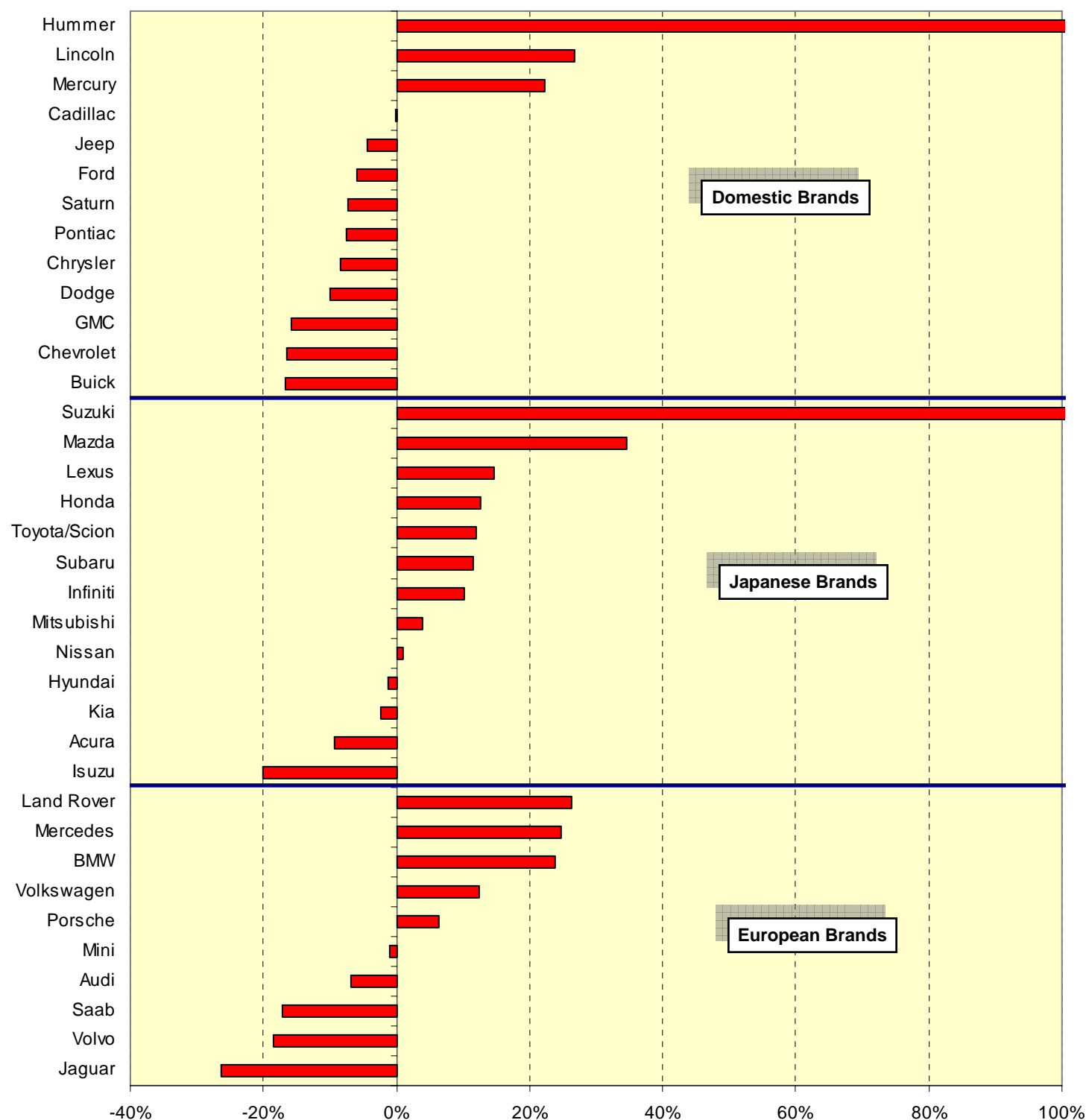


The graph below shows the percent change in new retail light vehicle registrations during the first six months of this year versus the same period a year earlier. Brands are organized

based on country of origin (Domestic, Asian, and European). This makes it easier to see how each brand stacks up versus its primary competitors. Hummer had the biggest increase

among Domestic brands (up 169%). Suzuki had the largest percentage increase for Asian brands, while Land Rover led among European brands.

**Percent Change in New Retail Registrations (YTD 2006 versus YTD 2005, thru June)**



**COLORADO BRAND SCOREBOARD (continued)**



The graph below provides an indicator of brands that are popular in the Colorado market (relative to the National standard), and those that are not. Here's how it works: For the top 30 selling brands in the state, each brand's share of the U.S. market is multiplied by retail registrations in the state during the first six months of this year. This yields a "target" for the

Colorado market. Actual registrations are subtracted from this target to arrive at the Unit Potential estimate.

Brands at the bottom of the graph (i.e., Chevrolet and Chrysler) have a high unit potential in the state, meaning that registrations would need to increase significantly for state market share to equal National.

Brands at the top of the graph (Subaru, Jeep, Volkswagen, GMC, Audi, and Volvo) are currently strong sellers in the state, and for this reason, do not have significant potential. Registrations would have to decline in order for state market share to equal National.

**Colorado Retail Market Potential—based on registrations for YTD 2006 (thru June)**  
(Increase or decrease in registrations required for brand to equal National market share in the state)

