

Colorado Auto Outlook TM

Comprehensive Information on the Colorado Automotive Market

Released August, 2007 (Covering Second Quarter, 2007)

Colorado New Vehicle Market Has a Chance to Increase This Year

Economic growth came to a virtual standstill in the First Quarter of this year, but many economists expect that a solid rebound is in the works. The Fed has left interest rates unchanged for over 12 months, but the prospects of higher inflation could prompt a rate hike before the end of the year. Consumers are racking up record debt and not saving enough, but retail spending has held up relatively well. Auto manufacturers are serving up an impressive array of new products that could ignite new vehicle sales, but the market has been tracking above trend levels for most of this decade which could signal a cyclical decline in sales.

And it doesn't stop there! Toyota has been on a roll, racking up big market share gains, but some well publicized quality issues loom. New products from Hyundai and Kia have gotten favorable reviews from the automotive press, but the strong Korean won is evaporating some of their price competitiveness. And Detroit's Big Three have gained some traction with new products and could win needed concessions from the UAW this summer, but daunting financial and competitive challenges remain.

The obvious summary of these observations is that these times are uncertain and tumultuous for the new vehicle retailing industry. As a consequence, it is especially challenging to accurately plot the exact future course of the Colorado market.

We do believe, however, that there is enough evidence to predict the general direction in which the market will head over the next 12 to 18 months. Despite some uncertainties regarding the economic outlook, Colorado consumer affordability for new vehicles should remain strong for the foreseeable future. This should prevent any sharp and sustained decline. But, there are simply too many things holding the market back to allow for any sharp increase in sales. As a result, the market is likely to languish during the rest of this year, posting somewhat sluggish results, while avoiding a significant decline.

The box on the right provides details on the forecast for the rest of this year, and our preliminary projections for 2008. Look for more details on 2008 in the next release of Auto Outlook.

COLORADO MARKET SUMMARY

- ❑ New retail light vehicle registrations predicted to increase 0.4% for all of this year versus 2006. 2.1% increase expected in 2008.
- ❑ Market improved 1.8% in the Second Quarter of this year versus year earlier. Small decline predicted for the Fourth Quarter.
- ❑ Compact SUV segment posts biggest gains in Colorado market during first half of this year. Ford F-Series is the best-selling model so far this year.
- ❑ Mitsubishi, Lincoln, GMC, and Infiniti sales have been given a boost by new products (see pages four and five).

Data Explanation

Data presented in Colorado Auto Outlook covers light vehicles only, which consists of cars, SUVs, minivans, and most pickup trucks.

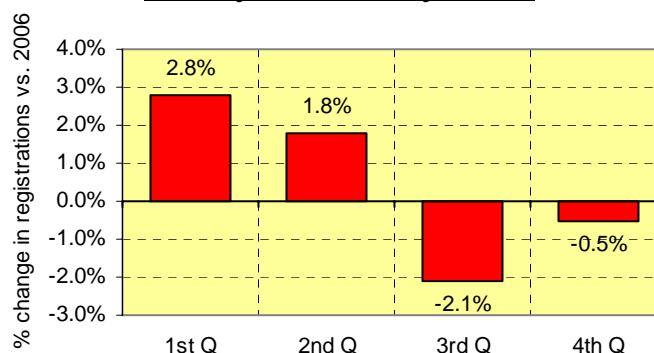
The Colorado New Retail Light Vehicle Market — At a Glance

Summary 1. Top Ten Scoreboard

YTD '06 thru June			YTD '07 thru June			Change in mkt. Share
Rank	Make	Share	Rank	Make	Share	
1	Ford	13.5%	1	Toyota	15.6%	2.3%
2	Toyota	13.3%	2	Ford	10.9%	-2.6%
3	Honda	9.7%	3	Honda	10.4%	0.7%
4	Chevrolet	9.2%	4	Chevrolet	9.5%	0.3%
5	Dodge	6.2%	5	Dodge	6.2%	0.0%
6	Nissan	5.5%	6	Nissan	5.3%	-0.2%
7	Subaru	5.0%	7	Subaru	5.1%	0.1%
8	Jeep	4.6%	8	Jeep	5.0%	0.4%
9	GMC	3.5%	9	GMC	3.9%	0.4%
10	VW	2.8%	10	Hyundai	2.3%	0.3%

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 six months of 2006 and 2007, and the change in market share. **Quarterly Forecast** presents the change in registrations during each Quarter of this year versus 2006. (Actual figures are shown for the First and Second Quarters.) The **Annual Review** table on the right shows our forecast for 2007, and actual figures for 2005 and 2006. Source for historical data: AutoCount, an Experian Company

Summary 2. 2007 Quarterly Forecast



Summary 3. Annual Review and Forecast

	Forecast			% ch. '06 to '07
	2005	2006	2007	
TOTAL	172,646	163,513	164,189	0.4%
Car	72,597	74,758	73,557	-1.6%
Light Truck	100,049	88,755	90,632	2.1%
Big Three	85,197	72,686	69,393	-4.5%
Japanese	64,987	69,747	73,437	5.3%
European	15,806	14,820	14,389	-2.9%
Korean	6,656	6,260	6,970	11.3%

County Scoreboard

Eight County Markets Improve by More Than 5% So Far This Year

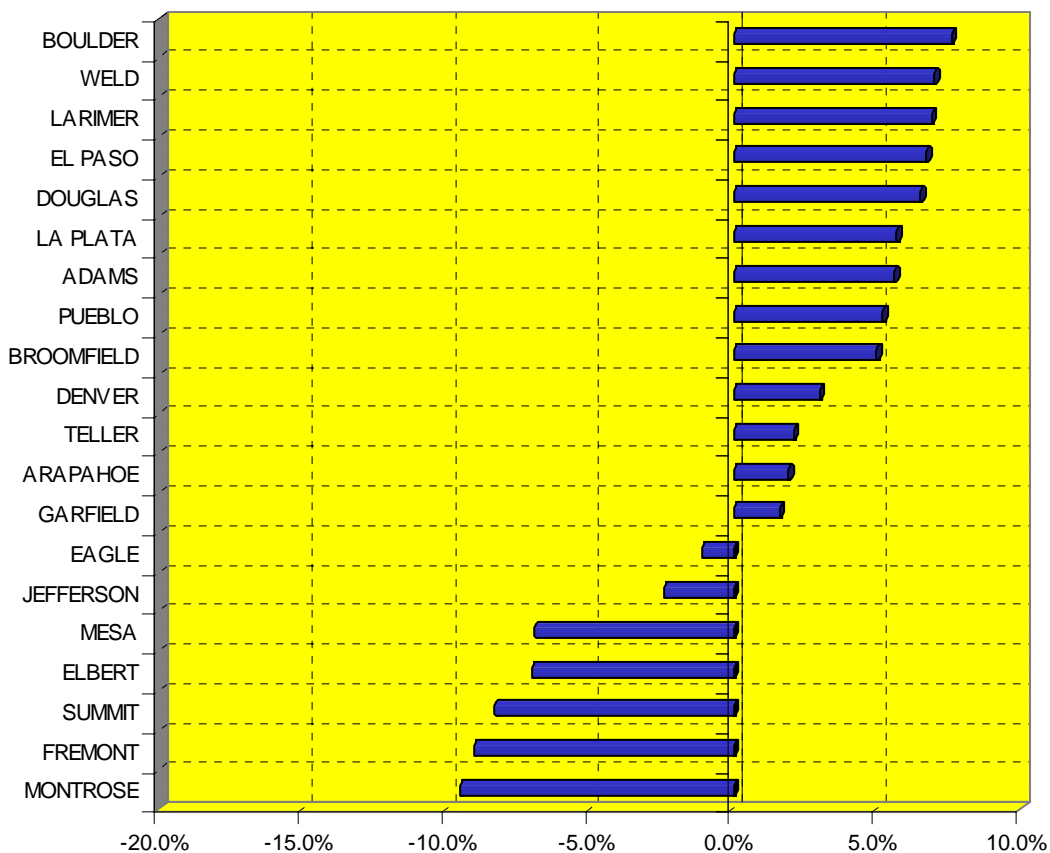
The table below and graph on the right provide a thorough summary of each of the top 20 county new retail light vehicle markets in Colorado. This unique county-level information provides a valuable perspective on local market performance, and a barometer to evaluate the performance of your dealership.

The table shows new retail light vehicle registrations during the first six months of 2006 and 2007, 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. Light truck market share is also listed.

Registrations increased in 13 counties, with the largest percentage increases in Boulder County.

Note: The top five rated counties in each category are shaded.
Source: AutoCount, an Experian Company

Percent Change in New Retail Car and Light Truck Registrations for Top 20 County Markets in Colorado, YTD '07 (thru June) vs. Year Earlier

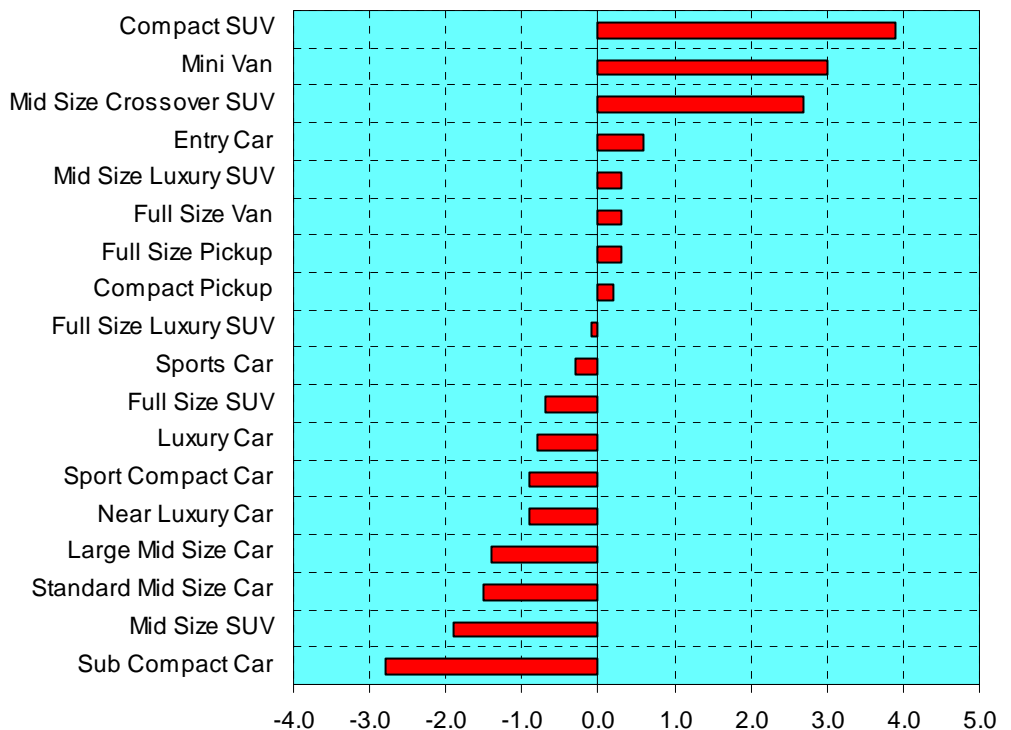


COUNTY SCOREBOARD FOR TOP 20 COUNTY MARKETS IN COLORADO - YTD (thru June)									
COUNTY	NEW RETAIL REGISTRATIONS			SHARE OF STATE MARKET			LIGHT TRUCK MARKET SHARE		
	2006	2007	% ch	2006	2007	CHANGE	2006	2007	CHANGE
ADAMS	5555	5867	5.6%	6.9	7.1	0.2	50.6	58.5	7.9
ARAPAHOE	8535	8694	1.9%	10.6	10.6	0.0	50.2	58.2	8.0
BOULDER	4362	4693	7.6%	5.4	5.7	0.3	50.3	54.7	4.5
BROOMFIELD	2122	2236	5.0%	2.6	2.2	-0.4	48.4	57.0	8.6
DENVER	8489	8747	3.0%	10.5	10.6	0.1	47.5	54.8	7.3
DOUGLAS	7568	8063	6.5%	9.4	9.8	0.4	57.5	66.9	9.4
EAGLE	1223	1210	-1.1%	1.5	1.5	-0.1	67.0	71.4	4.4
EL PASO	9835	10490	6.7%	12.2	12.7	0.5	51.1	60.1	9.0
ELBERT	522	486	-7.0%	0.6	0.6	-0.1	63.2	74.8	11.6
FREMONT	529	482	-9.0%	0.7	0.6	-0.1	57.5	63.2	5.7
GARFIELD	1215	1235	1.6%	1.5	1.5	0.0	67.7	72.7	5.0
JEFFERSON	9647	9412	-2.4%	12.0	11.4	-0.6	53.3	62.8	9.5
LA PLATA	647	684	5.7%	0.8	0.8	0.0	69.8	69.9	0.1
LARIMER	4317	4615	6.9%	5.4	5.6	0.2	53.9	62.1	8.3
MESA	1963	1828	-6.9%	2.4	2.2	-0.2	63.6	67.3	3.7
MONTROSE	493	446	-9.5%	0.6	0.5	-0.1	68.6	74.9	6.3
PUEBLO	1591	1673	5.2%	2.0	2.0	0.1	50.7	58.8	8.1
SUMMIT	720	660	-8.3%	0.9	0.8	-0.1	63.8	72.6	8.8
TELLER	482	492	2.1%	0.6	0.6	0.0	68.8	69.8	1.0
WELD	4204	4497	7.0%	5.2	5.5	0.2	54.9	64.0	9.1

Segment Watch**Compact SUV Segment Posts Largest Increase During First Half of 2007**

Without question, the automotive marketplace is becoming increasingly crowded. A steady stream of new products is regularly hitting the market, with many brands entering segments for the first time. All of this makes it increasingly difficult to identify which segments are hot and whether new models are making headway against established competitors. The information on this page provides the answers.

The graph to the right shows the change in area market share for 18 segments during the first half of this year versus the same period a year earlier. Segments at the top of the graph (Compact SUV and Mini Van) have gained market share, while those at the bottom (Sub Compact Car and Mid Size SUV) have lost share. The table below shows the top sellers in each segment during the first six months of this year.

Change in Segment Market Share-YTD '07 thru June vs. YTD '06**Top Selling Models in Each Segment - Colorado****New Retail Registrations, YTD '07 (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
Toyota Yaris	333	21.5	Honda Civic	1677	14.4	Ford Mustang	456	47.3	Subaru Legacy	1883	23.1
Chevrolet Aveo	333	21.5	Toyota Prius	1458	12.5	Scion TC	207	21.5	Honda Accord	1665	20.4
Honda Fit	220	14.2	Subaru Impreza	1211	10.4	Mitsubishi Eclipse	151	15.7	Toyota Camry	1230	15.1
Kia Rio	198	12.8	Toyota Corolla	1058	9.1	Hyundai Tiburon	71	7.3	Nissan Altima	825	10.1
Nissan Versa	194	12.5	Volkswagen Jetta	658	5.7	Pontiac GTO	63	6.6	Ford Fusion	471	5.8
Large Mid Size			Near Luxury			Luxury			Sports Car		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Chevrolet Impala	488	20.4	Audi A4	616	18.6	Volvo V70	233	15.4	Chevrolet Corvette	154	22.8
Chrysler 300	352	14.7	BMW 3-Series	567	17.1	BMW 5-Series	197	13.0	Mazda MX5	88	13.0
Dodge Charger	235	9.8	Infiniti G35	303	9.2	Mercedes E-Class	116	7.7	Saturn Sky	78	11.6
Buick Lucerne	212	8.8	Acura TL	286	8.6	Lexus LS	107	7.0	Pontiac Solstice	68	10.1
Ford Five Hundred	198	8.3	Lexus ES	285	8.6	Audi A6	103	6.8	Nissan 350 ZX	64	9.5

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	1587	39.6	Ford F-Series	3541	29.4	Honda Odyssey	769	27.7	Ford E-Series	430	44.6	
Honda Ridgeline	499	12.5	Dodge Ram	2757	22.9	Toyota Sienna	653	23.5	Chevrolet Express	348	36.1	
Ford Ranger	474	11.8	Chevrolet Silverado	2607	21.7	Dodge Caravan	373	13.4	GMC Savana	120	12.5	
Chevrolet Colorado	422	10.5	GMC Sierra	1545	12.8	Kia Sedona	343	12.4				
Nissan Frontier	388	9.7	Toyota Tundra	808	6.7	Chrysler T & C	254	9.1				
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	1803	15.6	Honda Pilot	1457	12.6	Chevrolet Tahoe	704	22.3	Lexus RX	843	18.2	
Jeep Wrangler	1323	11.4	Toyota 4Runner	1270	10.9	GMC Yukon	455	14.4	Acura MDX	489	10.5	
Toyota RAV4	1308	11.3	Toyota Highlander	1152	9.9	Chevrolet Suburban	431	13.7	Cadillac Escalade	380	8.2	
Nissan Xterra	897	7.7	Jeep Grand Cherokee	1047	9.0	Ford Expedition	367	11.6	Acura RDX	272	5.9	
Ford Escape	868	7.5	Subaru Forester	790	6.8	GMC Yukon XL	358	11.4	Volvo XC90	263	5.7	

Competitive Analysis

Getting the "Bang" for the New Product "Buck"



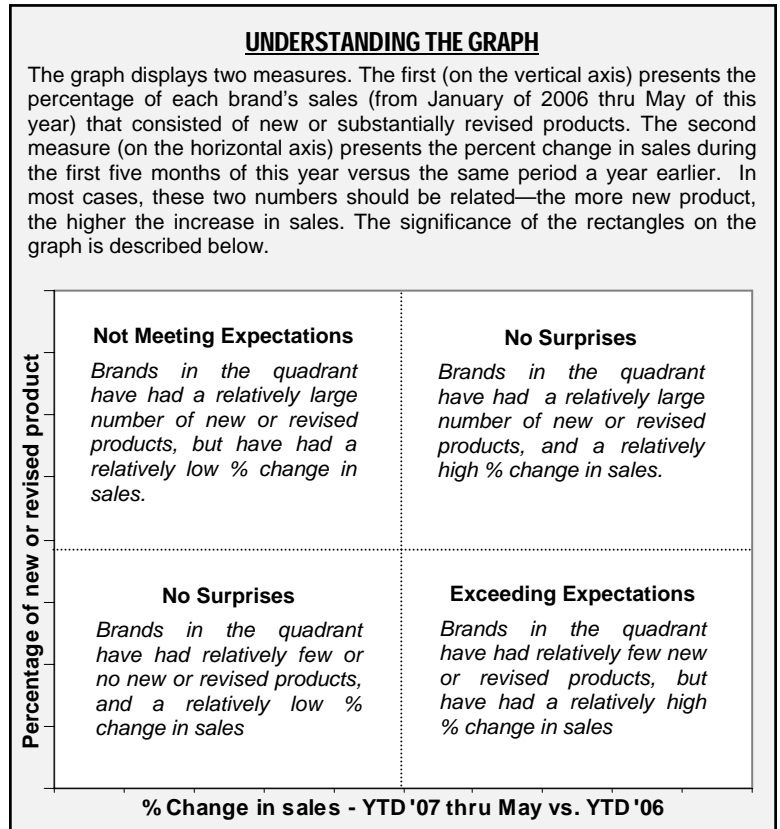
Manufacturers devote significant resources to develop new cars and trucks with the obvious intention of enhancing demand for their products. But despite their best intentions, there are no guarantees. Occasionally, consumers greet new products with a yawn, which can have major consequences for retailers, and can say a lot about a brand's strategic position in the market. This analysis addresses this issue by asking: **Does new product automatically translate into positive sales results in the marketplace?**

The short answer to this question is no, and an explanation for this can be

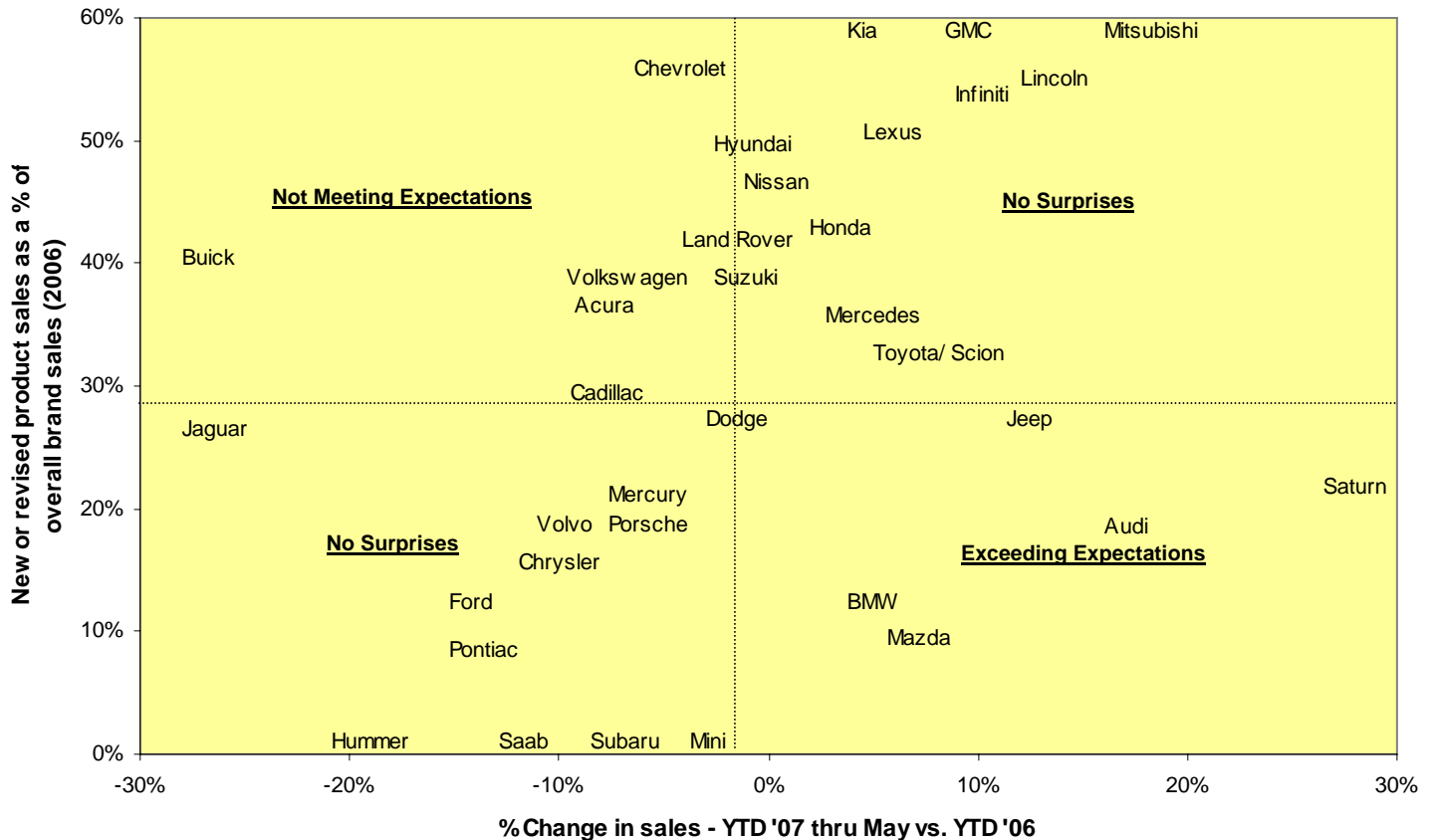
found below. The graph depicts the relationship between new product and improved sales. If a brand introduces a slew of new products, you would expect a resulting increase in sales. Conversely, if a brand offers little (or no) new product, you would expect market share to decline. As explained on the right, the four "quadrants" on the graph depict these relationships.

As expected, a majority of brands are positioned in the upper right (high percentage of new product and hefty sales increases) and lower left (low percentage of new product and below average sales increases).

(Continued on page 5)



NEW PRODUCT PERCENTAGE (new or revised products as a percent of U.S. sales) VS. PERCENT CHANGE IN SALES (YTD '07 THRU MAY VS. YTD '06)



Competitive Analysis**Getting the "Bang" for the New Product "Buck" (continued)**

(Continued from page 4)

The interesting stories are for brands in the lower right and upper left. The lower right rectangle consists of brands that have exceeded expectations (sales have increased above the industry average despite a below average percentage of new product). Audi's sales for instance, increased 17% during the first five months of this year versus the same period a year earlier, while the Q7 was the only new or significantly revised product.

Brands in the upper left quadrant have (for one reason or another) not met expectations. Despite a relative abundance of new product, sales increases have been below average. Buick was the weakest performer in this quadrant. Although the Lucerne represents a key new product for Buick, it replaced both LeSabre and Park Avenue. Buick sales volumes have also been impacted by fewer fleet sales and the elimination of the Rendezvous, Buick sales will be given a boost during the second half of this year, however, as the new Enclave is introduced.

Whether a brand has, or has not, met expectations (based on new product), can tell a lot about its competitive position in the marketplace. If a brand has been able to post hefty sales increases with little or no new product, it could mean the marketing message has reached an attentive audience. Another reason could simply be that the brand enjoys an extremely strong competitive position, and can sustain market share when the new product pipeline slows (BMW, for example).

When new product does **not** result in sales success, it can also send a message. Acura sales have declined so far this year, despite the 2006 introductions of the all-new RDX and redesigned MDX. Strong sales of the previous generation MDX have made it difficult for sales of the new model to increase significantly, but somewhat sluggish results for the TL, RL, and TSX have also put a damper on Acura sales.

Data Source Information

Exclusive source for new vehicle registration data in *Colorado Auto Outlook* is AutoCount, an Experian Company. AutoCount specializes in providing detailed new and used vehicle sales and registration statistics. 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 *AutoCount*, call 407.770.5900 or visit *AutoCount's* web site: www.autocount.com

AutoCount
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New Retail Light Vehicle Market Comparison—Colorado, Denver Metro, U.S.

	Colorado Market		Denver Metro Market		U.S. Market	
Market Growth % change in registrations YTD '07 (thru June) vs. YTD '06	2.3%		-0.2%		-1.5%	
Car Market Share Car share of industry retail light vehicle registrations - YTD '07 (thru June)	37.4%		39.8%		49.2%	
Domestic Brand Market Share Domestic brand share of industry retail light vehicle registrations - YTD '07	42.9%		37.9%		46.0%	
Top Selling Retail Brands <i>Top selling light vehicle brands and market share - YTD '07</i>						
First	Toyota/Scion	15.6%	Toyota/Scion	16.6%	Toyota/Scion	15.6%
Second	Ford	10.9%	Honda	10.7%	Chevrolet	12.4%
Third	Honda	10.4%	Ford	10.4%	Ford	11.7%
Fourth	Chevrolet	9.5%	Chevrolet	9.6%	Honda	10.1%
Fifth	Dodge	6.2%	Subaru	5.6%	Nissan	6.1%
Sixth	Nissan	5.3%	Nissan	5.4%	Dodge	5.6%
Seventh	Subaru	5.1%	Jeep	4.8%	GMC	3.2%
Eighth	Jeep	5.0%	Dodge	4.1%	Jeep	3.0%
Ninth	GMC	3.9%	Lexus	3.0%	Hyundai	2.8%
Tenth	Hyundai	2.3%	GMC	2.8%	Chrysler	2.6%

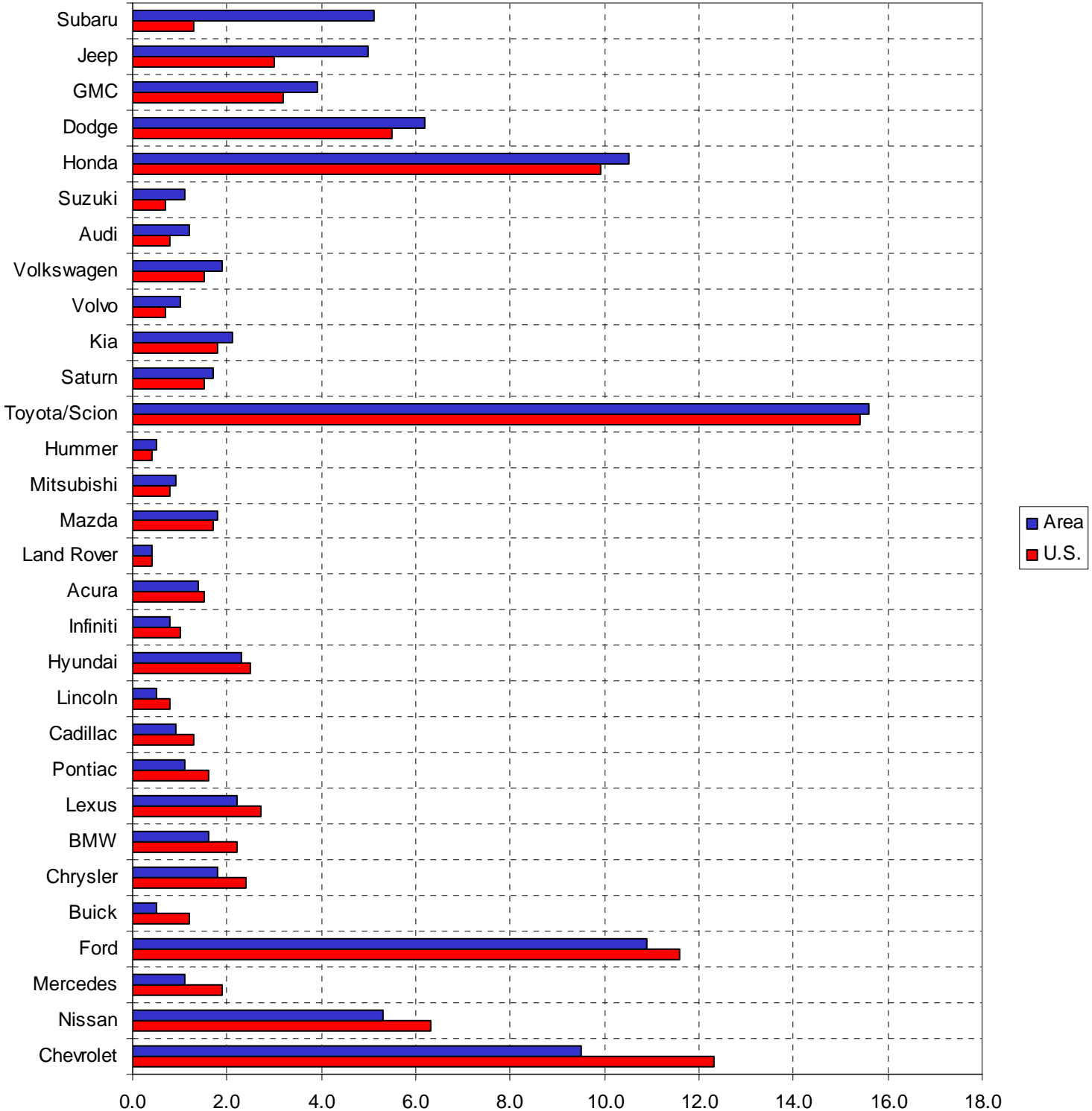
COLORADO BRAND SCOREBOARD



PART ONE: MARKET SHARE COMPARISON (COLORADO VS. U.S.)

Part One of *Brand Scoreboard* shows new retail market share in both the Colorado and U.S. markets for the top 30 selling brands in the state during the first six months of this year. Brands are positioned on the graph from top to bottom based on state market share minus U.S. For instance, Subaru is at the top of the graph with a state market share of 5.1% versus 1.3% in the U.S., the highest spread of any brand. Source: AutoCount, an Experian Company

New Retail Light Vehicle Market Share, Colorado vs. U.S. (YTD 2007 thru June)

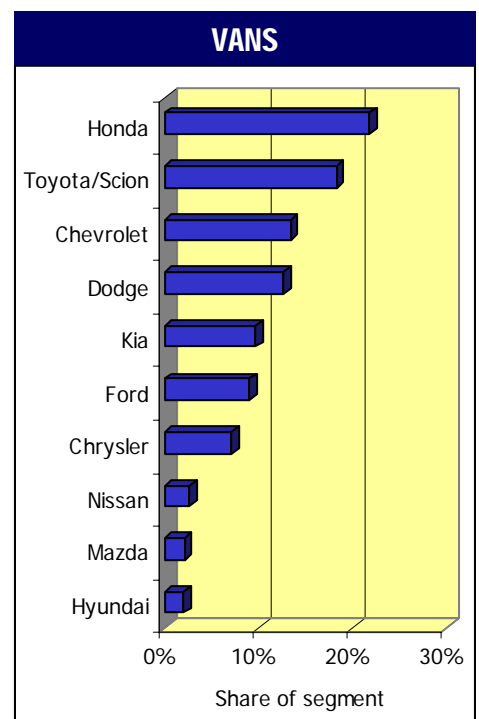
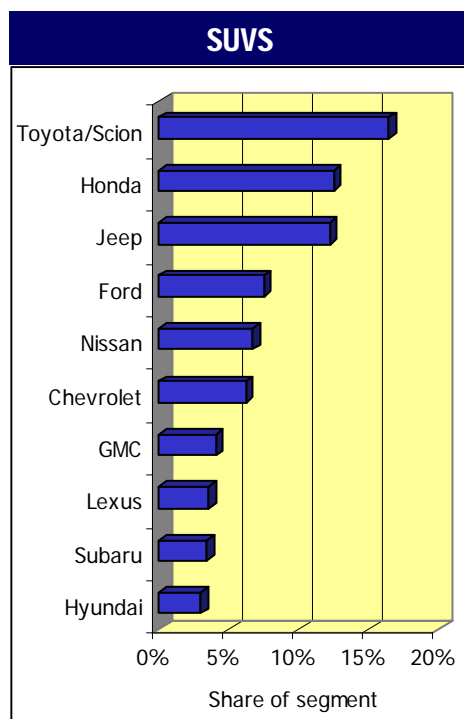
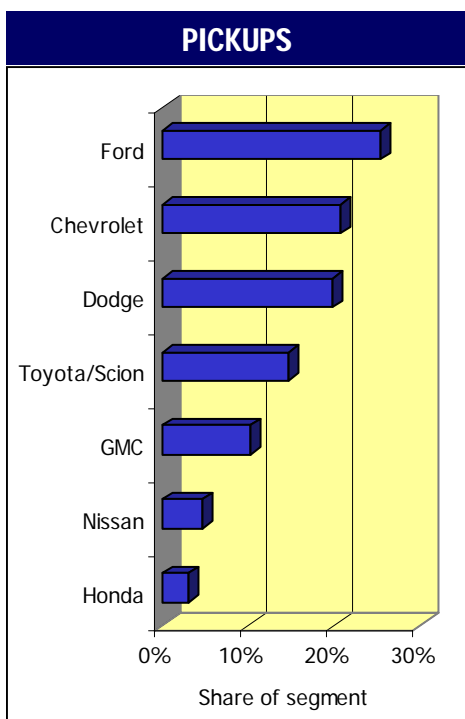
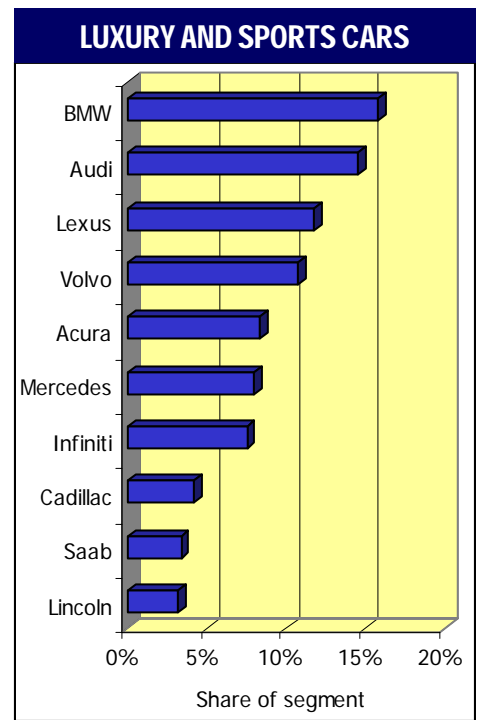
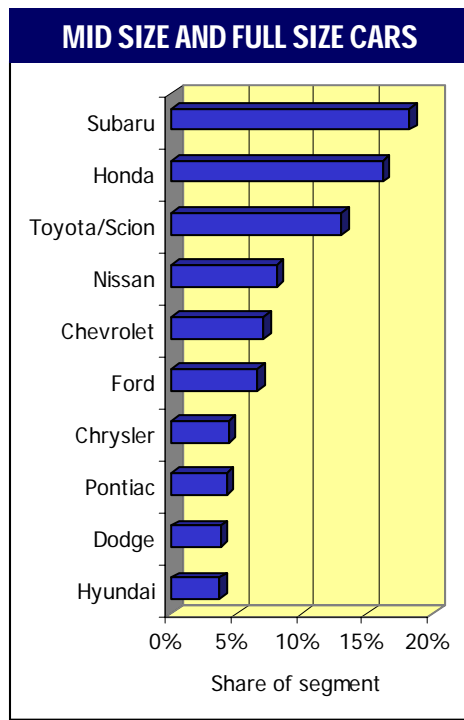
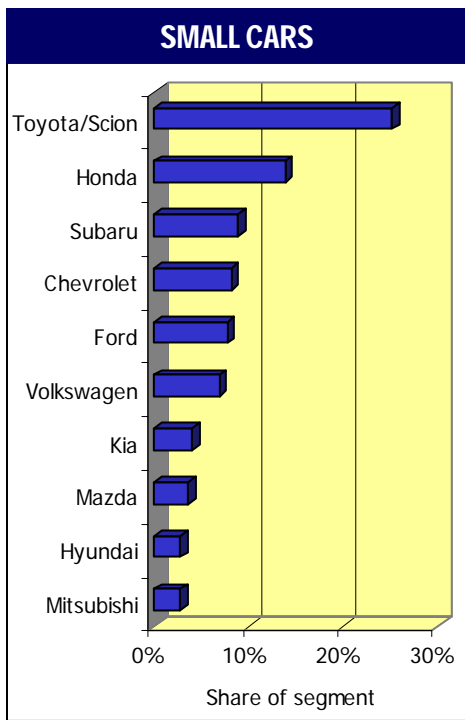


COLORADO BRAND SCOREBOARD



PART TWO: SEGMENT LEADERS

The graphs below show new retail light vehicle market share in Colorado for the top 10 selling brands in six primary market segments. Market share figures are for the first six months of 2007. (Note: Pickup segment only includes six brands.) These graphs provide an informative view of brand competitiveness based on the type of vehicle. (Small cars includes Entry Car, Sub Compact, and Sport Compact.) Source: AutoCount, an Experian Company.



Colorado New Retail Car and Light Truck Registrations - History and Forecast										
	Registrations					Market Share				
	Units			Percent Change		Share (%)			Change	
	2005	2006	Forecast 2007	'05 to '06	'06 to '07	2005	2006	Forecast 2007	'05 to '06	'06 to '07
TOTAL	172,646	163,513	164,189	-5.3%	0.4%					
Acura	2,709	2,375	2,406	-12.3%	1.3%	1.6	1.5	1.5	-0.1	0.0
Audi	2,061	1,810	1,970	-12.2%	8.8%	1.2	1.1	1.2	-0.1	0.1
BMW	2,347	2,523	2,598	7.5%	3.0%	1.4	1.5	1.6	0.1	0.1
Buick	1,460	1,106	915	-24.2%	-17.3%	0.8	0.7	0.6	-0.1	-0.1
Cadillac	1,814	1,648	1,440	-9.2%	-12.6%	1.1	1.0	0.9	-0.1	-0.1
Chevrolet	19,157	16,061	15,065	-16.2%	-6.2%	11.1	9.8	9.2	-1.3	-0.6
Chrysler	3,219	2,773	2,550	-13.9%	-8.0%	1.9	1.7	1.6	-0.2	-0.1
Dodge	11,753	9,656	9,404	-17.8%	-2.6%	6.8	5.9	5.7	-0.9	-0.2
Ford	24,697	21,011	18,843	-14.9%	-10.3%	14.3	12.8	11.5	-1.5	-1.3
GMC	7,183	5,905	6,109	-17.8%	3.5%	4.2	3.6	3.7	-0.6	0.1
Honda	15,437	15,607	16,129	1.1%	3.3%	8.9	9.5	9.8	0.6	0.3
Hummer	580	838	747	44.5%	-10.9%	0.3	0.5	0.5	0.2	0.0
Hyundai	3,817	3,598	3,691	-5.7%	2.6%	2.2	2.2	2.2	0.0	0.0
Infiniti	1,112	1,099	1,321	-1.2%	20.2%	0.6	0.7	0.8	0.1	0.1
Isuzu	200	223	162	11.5%	-27.4%	0.1	0.1	0.1	0.0	0.0
Jaguar	212	144	108	-32.1%	-25.0%	0.1	0.1	0.1	0.0	0.0
Jeep	8,416	7,190	7,659	-14.6%	6.5%	4.9	4.4	4.7	-0.5	0.3
Kia	2,839	2,662	3,279	-6.2%	23.2%	1.6	1.6	2.0	0.0	0.4
Land Rover	678	739	756	9.0%	2.3%	0.4	0.5	0.5	0.1	0.0
Lexus	3,404	3,690	3,934	8.4%	6.6%	2.0	2.3	2.4	0.3	0.1
Lincoln	672	696	794	3.6%	14.1%	0.4	0.4	0.5	0.0	0.1
Mazda	2,504	2,740	2,949	9.4%	7.6%	1.5	1.7	1.8	0.2	0.1
Mercedes	1,757	1,787	1,797	1.7%	0.6%	1.0	1.1	1.1	0.1	0.0
Mercury	847	870	774	2.7%	-11.0%	0.5	0.5	0.5	0.0	0.0
MINI	445	425	429	-4.5%	0.9%	0.3	0.3	0.3	0.0	0.0
Mitsubishi	982	1,054	1,488	7.3%	41.2%	0.6	0.6	0.9	0.0	0.3
Nissan	9,131	8,886	8,990	-2.7%	1.2%	5.3	5.4	5.5	0.1	0.1
Pontiac	2,255	2,159	1,895	-4.3%	-12.2%	1.3	1.3	1.2	0.0	-0.1
Porsche	391	413	380	5.6%	-8.0%	0.2	0.3	0.2	0.1	-0.1
Saab	727	582	535	-19.9%	-8.1%	0.4	0.4	0.3	0.0	-0.1
Saturn	3,144	2,773	3,198	-11.8%	15.3%	1.8	1.7	1.9	-0.1	0.2
Subaru	7,832	8,602	8,253	9.8%	-4.1%	4.5	5.3	5.0	0.8	-0.3
Suzuki	914	1,677	1,829	83.5%	9.1%	0.5	1.0	1.1	0.5	0.1
Toyota (incl. Scion)	20,762	23,794	25,976	14.6%	9.2%	12.0	14.6	15.8	2.6	1.2
Volkswagen	4,500	4,333	4,004	-3.7%	-7.6%	2.6	2.6	2.4	0.0	-0.2
Volvo	2,445	1,772	1,600	-27.5%	-9.7%	1.4	1.1	1.0	-0.3	-0.1
Others	243	292	212	20.2%	-27.4%	0.1	0.2	0.1	0.1	-0.1

Historical Data Source: AutoCount, an Experian Company

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