

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	166,815	-1.9%	-3.4%					
Acura	2,562	2,709	2,614	5.7%	-3.5%	1.5	1.6	1.6	0.1	0.0
Audi	2,064	2,061	2,083	-0.1%	1.1%	1.2	1.2	1.2	0.0	0.0
BMW	2,343	2,347	2,646	0.2%	12.7%	1.3	1.4	1.6	0.1	0.2
Buick	1,759	1,460	1,052	-17.0%	-27.9%	1.0	0.8	0.6	-0.2	-0.2
Cadillac	2,109	1,814	1,644	-14.0%	-9.4%	1.2	1.1	1.0	-0.1	-0.1
Chevrolet	21,666	19,157	16,264	-11.6%	-15.1%	12.3	11.1	9.7	-1.2	-1.4
Chrysler	3,000	3,219	2,889	7.3%	-10.3%	1.7	1.9	1.7	0.2	-0.2
Dodge	12,800	11,753	10,626	-8.2%	-9.6%	7.3	6.8	6.4	-0.5	-0.4
Ford	27,193	24,697	21,599	-9.2%	-12.5%	15.4	14.3	12.9	-1.1	-1.4
GMC	7,797	7,183	5,905	-7.9%	-17.8%	4.4	4.2	3.5	-0.2	-0.7
Honda	14,355	15,437	16,189	7.5%	4.9%	8.2	8.9	9.7	0.7	0.8
Hummer	312	580	805	85.9%	38.8%	0.2	0.3	0.5	0.1	0.2
Hyundai	3,666	3,817	3,828	4.1%	0.3%	2.1	2.2	2.3	0.1	0.1
Infiniti	1,011	1,112	1,027	10.0%	-7.6%	0.6	0.6	0.6	0.0	0.0
Isuzu	370	200	180	-45.9%	-10.0%	0.2	0.1	0.1	-0.1	0.0
Jaguar	357	212	166	-40.6%	-21.7%	0.2	0.1	0.1	-0.1	0.0
Jeep	7,947	8,416	8,264	5.9%	-1.8%	4.5	4.9	5.0	0.4	0.1
Kia	3,177	2,839	2,709	-10.6%	-4.6%	1.8	1.6	1.6	-0.2	0.0
Land Rover	565	678	738	20.0%	8.8%	0.3	0.4	0.4	0.1	0.0
Lexus	3,280	3,404	3,583	3.8%	5.3%	1.9	2.0	2.1	0.1	0.1
Lincoln	848	672	702	-20.8%	4.5%	0.5	0.4	0.4	-0.1	0.0
Mazda	2,305	2,504	2,659	8.6%	6.2%	1.3	1.5	1.6	0.2	0.1
Mercedes	1,467	1,757	1,945	19.8%	10.7%	0.8	1.0	1.2	0.2	0.2
Mercury	730	847	803	16.0%	-5.2%	0.4	0.5	0.5	0.1	0.0
Mini	379	445	404	17.4%	-9.2%	0.2	0.3	0.2	0.1	-0.1
Mitsubishi	1,240	982	972	-20.8%	-1.0%	0.7	0.6	0.6	-0.1	0.0
Nissan	7,717	9,131	8,848	18.3%	-3.1%	4.4	5.3	5.3	0.9	0.0
Pontiac	2,403	2,255	2,163	-6.2%	-4.1%	1.4	1.3	1.3	-0.1	0.0
Porsche	461	391	409	-15.2%	4.6%	0.3	0.2	0.2	-0.1	0.0
Saab	696	727	564	4.5%	-22.4%	0.4	0.4	0.3	0.0	-0.1
Saturn	4,110	3,144	3,088	-23.5%	-1.8%	2.3	1.8	1.9	-0.5	0.1
Subaru	7,401	7,832	8,213	5.8%	4.9%	4.2	4.5	4.9	0.3	0.4
Suzuki	813	914	1,532	12.4%	67.6%	0.5	0.5	0.9	0.0	0.4
Toyota (incl. Scion)	19,568	20,762	22,802	6.1%	9.8%	11.1	12.0	13.7	0.9	1.7
Volkswagen	5,076	4,500	4,670	-11.3%	3.8%	2.9	2.6	2.8	-0.3	0.2
Volvo	2,319	2,445	1,997	5.4%	-18.3%	1.3	1.4	1.2	0.1	-0.2
Others	162	243	233	50.0%	-4.1%	0.1	0.1	0.1	0.0	0.0

Historical Data Source: AutoCount, an Experian Company

Colorado Auto Outlook

Published for:
Colorado Automobile Dealers Association
290 East Speer Boulevard
Denver, CO 80203

Phone: 303-831-1722

Published by:
Auto Outlook, Inc.
5 Great Valley Parkway, Suite 234
Malvern, PA 19355

Phone: 800-206-0102

Email: jfoltz@autooutlook.com

Copyright Auto Outlook, Inc., October, 2006

Colorado Auto Outlook is distributed free of charge to all members of Colorado Automobile Dealers Association. The publication is sponsored and supported by CADA. Colorado Auto Outlook is published and edited by Auto Outlook, Inc., an independent automotive market research firm. Opinions expressed in Colorado Auto Outlook are solely those of Auto Outlook, Inc., and are not necessarily shared by CADA.

Colorado Auto Outlook™

Comprehensive Information on the Colorado Automotive Market

Released October, 2006 (Covering Third Quarter, 2006)

Colorado New Vehicle Market Predicted to Decline Slightly in '07, Improve in '08 and '09

Forecasting the Colorado new vehicle market is a balancing act. Indicators frequently present mixed signals on where the market is headed. Some point to improvement, while others indicate a decline. The summary on the right presents Auto Outlook's list of key positive and negative forecast determinants for the state market in 2007. Unfortunately, it's our belief that the cumulative impact of the negative determinants slightly out weighs the impact of the positive determinants. This is expected to result in a small decline in the Colorado market next year. The primary concern for the market is the financial well-being of consumers, which should consequently impact their ability to purchase new vehicles.

On the flip side, fuel prices have eased over the past couple of months, unemployment rates are low, and consumer affordability for new vehicles remains at close to all-time record strong levels. In addition, the carrot of appealing new products should lead many consumers to enter the new vehicle market.

Forecast Summary: Less than 1% decline in Colorado new retail light vehicle registrations predicted for 2007. Improvement likely in 2008 and 2009 (see Long Term Forecast on page 6).

Weighing Forecast Determinants:

Positives and Negatives for the Colorado new vehicle market over the next 12 months



Positives (why the market could strengthen):

- Consumer affordability for new vehicles remains at healthy levels
- Impressive array of new products continue to be introduced at regular intervals
- Unemployment rates remain low and employment growth in the state should continue to be strong
- Fuel prices have declined (at least temporarily)

Negatives (why the market could weaken):

- Economic growth is likely to subside during 2007
- Strong new vehicle sales over the past several years could lead to a cyclical decline
- High consumer debt levels combined with softening housing market
- Personal income growth is easing

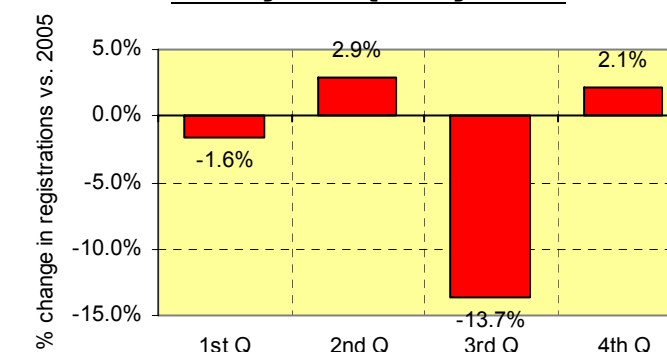
VERDICT: Mild slowdown predicted

The Colorado New Retail Light Vehicle Market — At a Glance

Summary 1. Top Ten Scoreboard

2nd QUARTER, 2006			3rd QUARTER, 2006			Change in mkt. Share
Rank	Make	Share	Rank	Make	Share	
1	Toyota	14.4%	1	Toyota	15.0%	0.6%
2	Ford	13.3%	2	Ford	12.7%	-0.6%
3	Honda	9.6%	3	Chevrolet	10.5%	1.1%
4	Chevrolet	9.4%	4	Honda	9.3%	-0.3%
5	Nissan	5.9%	5	Dodge	5.8%	-0.1%
6	Dodge	5.9%	6	Subaru	5.4%	0.2%
7	Subaru	5.2%	7	Nissan	5.2%	-0.7%
8	Jeep	4.4%	8	GMC	3.7%	0.5%
9	GMC	3.2%	9	Jeep	3.7%	-0.7%
10	Volkswagen	2.7%	10	Volkswagen	2.7%	0.0%

Summary 2. 2006 Quarterly Forecast



Summary 3. Annual Review and Forecast

	Forecast			% ch. '05 to '06
	2004	2005	2006	
TOTAL	176,028	172,646	166,815	-3.4%
Car	68,914	72,489	74,900	3.3%
Light Truck	107,114	100,157	91,915	-8.2%
Big Three	92,674	85,197	75,804	-11.0%
Japanese	60,622	64,987	68,619	5.6%
European	15,889	15,806	15,855	0.3%
Korean	6,843	6,656	6,537	-1.8%

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 Second and Third 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

Each of the Top 20 County Markets in Colorado Decline So Far This Year

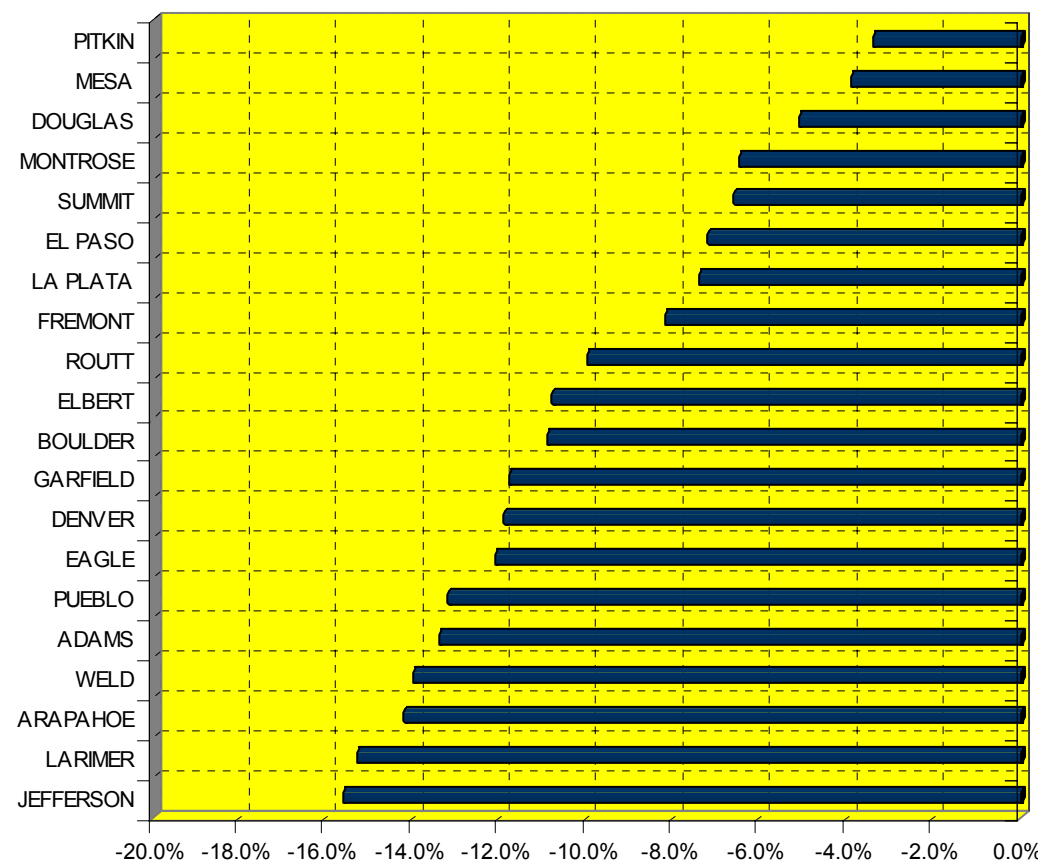
The table below and graph on the right provide a thorough summary of each of the top 20 county new retail light vehicle markets in Colorado. This unique county-level information provides a valuable perspective on local market performance, and a barometer to evaluate the performance of your dealership.

The table shows new retail light vehicle registrations during the first nine 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.

Registrations declined in all counties, with the smallest drop in Pitkin County (down by 3.4%).

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 Sept.) vs. Year Earlier



COUNTY SCOREBOARD FOR TOP 20 COUNTY MARKETS IN COLORADO - YTD (thru Sept.)									
COUNTY	NEW RETAIL REGISTRATIONS			SHARE OF STATE MARKET			LIGHT TRUCK MARKET SHARE		
	2005	2006	% ch	2005	2006	CHANGE	2005	2006	CHANGE
ADAMS	10238	8870	-13.4%	7.3	7.1	-0.2	59.1	52.5	-6.7
ARAPAHOE	16129	13839	-14.2%	11.5	11.0	-0.5	58.7	53.2	-5.6
BOULDER	7750	6908	-10.9%	5.5	5.5	0.0	55.2	52.3	-2.9
DENVER	12319	10854	-11.9%	8.8	8.6	-0.1	53.7	49.6	-4.1
DOUGLAS	12295	11671	-5.1%	8.7	9.3	0.5	64.4	60.2	-4.2
EAGLE	2222	1953	-12.1%	1.6	1.6	0.0	71.1	71.8	0.7
EL PASO	16911	15701	-7.2%	12.0	12.5	0.4	60.1	54.1	-6.0
ELBERT	842	751	-10.8%	0.6	0.6	0.0	69.5	70.4	1.0
FREMONT	944	867	-8.2%	0.7	0.7	0.0	66.9	63.1	-3.9
GARFIELD	2151	1898	-11.8%	1.5	1.5	0.0	72.6	70.5	-2.1
JEFFERSON	19419	16390	-15.6%	13.8	13.0	-0.8	60.8	55.6	-5.2
LA PLATA	1743	1614	-7.4%	1.2	1.3	0.0	76.5	70.9	-5.6
LARIMER	8152	6903	-15.3%	5.8	5.5	-0.3	62.3	57.0	-5.3
MESA	3462	3327	-3.9%	2.5	2.6	0.2	68.1	66.3	-1.7
MONTRORSE	917	857	-6.5%	0.7	0.7	0.0	76.3	71.3	-5.0
PITKIN	767	741	-3.4%	0.5	0.6	0.0	71.8	78.5	6.7
PUEBLO	3020	2621	-13.2%	2.1	2.1	-0.1	59.7	55.2	-4.5
ROUTT	833	750	-10.0%	0.6	0.6	0.0	81.2	76.0	-5.2
SUMMIT	1190	1112	-6.6%	0.8	0.9	0.0	73.4	74.1	0.7
WELD	7923	6811	-14.0%	5.6	5.4	-0.2	63.2	58.6	-4.6

Market Tracker

Japanese Brand Market Share Increases 5.5 Points So Far 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 5.9 market share points during the first nine months 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 5.5 points, with Toyota (including Lexus and Scion) increasing

2.6 points. European brand share was up 0.3 of a point, while Korean brand share was up slightly. Source: AutoCount, an Experian Company.

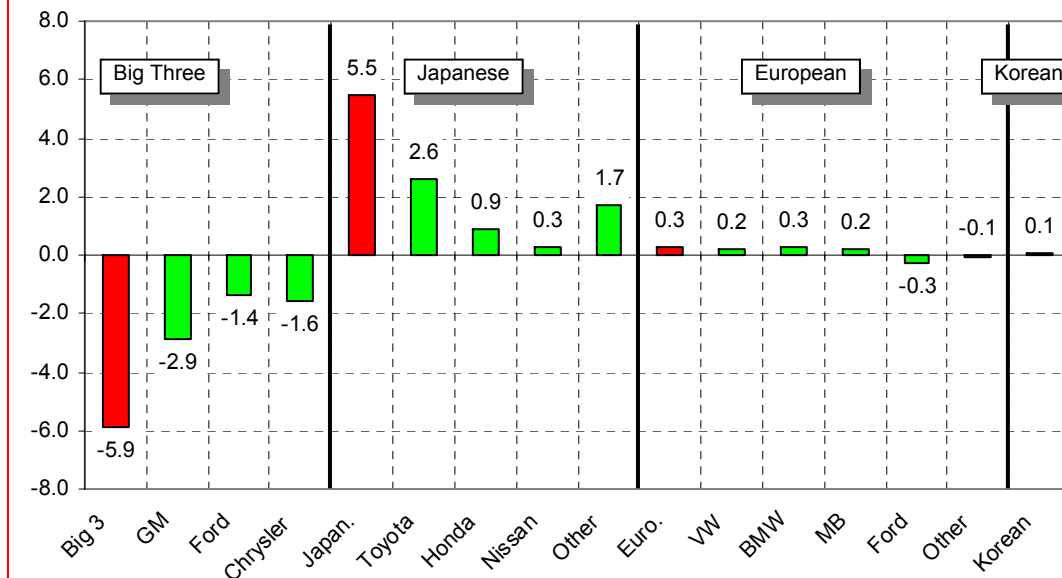
Data Source Information

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. 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



Change in New Retail Light Vehicle Market Share—YTD 2006 (thru Sept.) 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, Denver Metro, U.S.

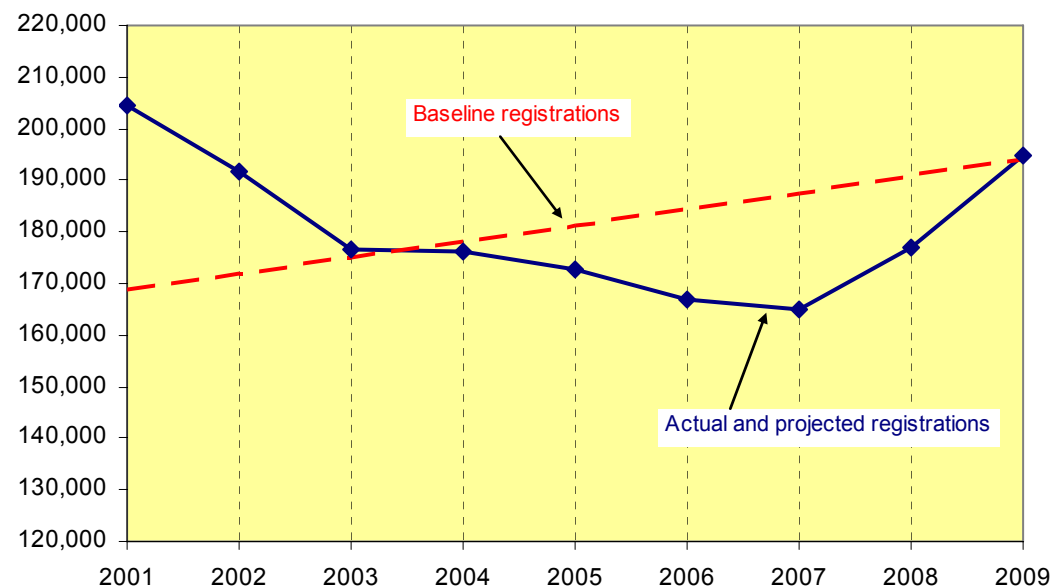
	Colorado Market	Denver Metro Market	U.S. Market
Market Growth % change in registrations YTD '06 (thru Sept.) vs. YTD '05	-5.0%	-7.0%	-3.7%
Car Market Share Car share of industry retail light vehicle registrations - YTD '06 (thru Sept.)	45.9%	48.9%	49.8%
Domestic Brand Market Share Domestic brand share of industry retail light vehicle registrations - YTD '06 (thru Sept.)	44.9%	39.9%	49.6%
Top Selling Retail Brands Top selling light vehicle brands and market share - Third Quarter 2006			
First	Toyota 15.0%	Toyota 15.7%	Ford 13.9%
Second	Ford 12.7%	Ford 11.4%	Chevrolet 13.3%
Third	Chevrolet 10.5%	Honda 11.0%	Toyota/Scion 13.2%
Fourth	Honda 9.3%	Chevrolet 10.0%	Honda 8.2%
Fifth	Dodge 5.8%	Nissan 5.4%	Dodge 6.7%
Sixth	Subaru 5.4%	Subaru 5.3%	Nissan 6.1%
Seventh	Nissan 5.2%	Dodge 4.1%	Chrysler 3.7%
Eighth	GMC 3.7%	Jeep 3.6%	Hyundai 3.1%
Ninth	Jeep 3.7%	Volkswagen 3.1%	Jeep 2.6%
Tenth	Volkswagen 2.7%	Lexus 2.7%	GMC 2.5%

Special Report: Long Term Forecast

Colorado Market Predicted to Improve in 2008 and 2009

Despite posting successive annual declines between 2001 and 2005, the Colorado new retail light vehicle market was in pretty good shape, with annual new retail registrations exceeding 170,000 units on several occasions. That impressive performance will likely be hard to match over the next couple of years, however. Following a projected 3.4% drop in registrations this year, Auto Outlook believes that the market will decline by less than 1% in 2007. That should mark the end of the market's relatively cyclical decline, however, with rebounds predicted for 2008 and 2009. Registrations in 2009 could reach 190,000 units, approaching the level reached in 2002.

COLORADO NEW RETAIL LIGHT VEHICLE REGISTRATIONS—ACTUAL VS. BASELINE

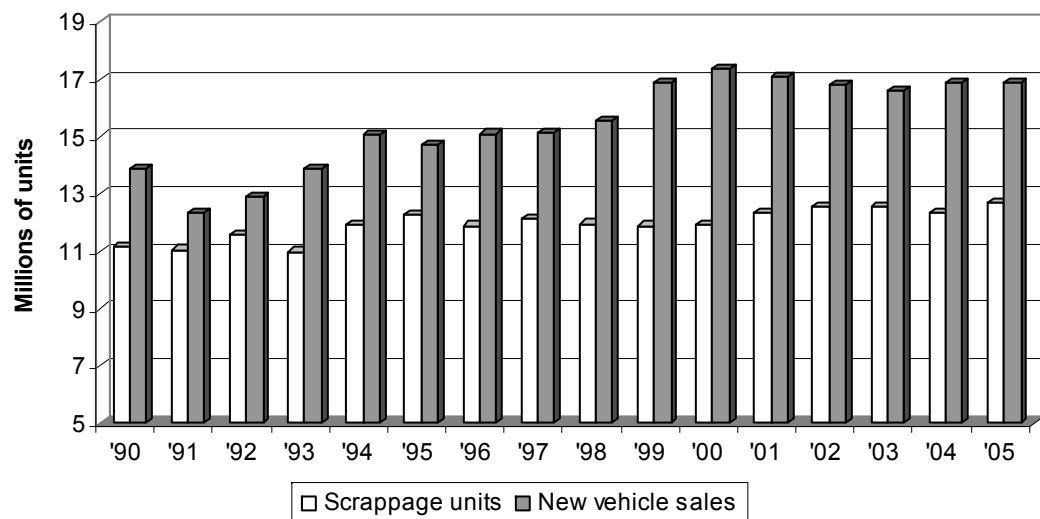


The two lines on the graph provide a synopsis of the past and anticipated future performance of the Colorado new automotive market. **Actual and projected registrations** shows actual market results through 2005 and Auto Outlook's forecast for 2006 through 2009. **Baseline** represents anticipated registrations that would occur in the absence of economic fluctuations, and is a function of "core" factors, such as the number of households in the state and population over age 20. Data Sources: AutoCount, an Experian Company and CNW Marketing Research.

The two graphs illustrate the market fundamentals that contribute to our long term forecast. The top graph shows two lines: 1. **Actual** new retail light vehicle registrations from 2001 through 2005, and our forecast from 2006 through 2009. 2. **Baseline** registrations (denoted by the dotted line), representing "anticipated" sales in the absence of economic fluctuations.

Historically, sales have followed a cyclical trend, moving in response to economic factors and consumer behavior. When **actual** sales fall below **baseline**, new vehicle purchases are either postponed due to a slowing economy; or, sales slack off following periods of elevated sales. This is likely to occur from 2004 through 2008. When conditions improve, **actual** sales move above **baseline**, the case between 2001 and 2003.

NEW VEHICLE SALES AND SCRAPPAGE—U.S. MARKET



The graph above compares National new vehicle sales and scrappage between 1990 and 2005. The relationship between these two measurements can serve as a significant predictor of new vehicle sales. When new vehicle sales exceed scrappage, the size of the "overall vehicle fleet" is growing at an accelerated pace, which could portend a slowdown in new vehicle sales. The gap between the two was relatively large in 1999 and 2000. An increase in scrappage in 2001 and a decline in new vehicle sales in 2001 helped narrow the gap somewhat. In 2004, however, the gap widened as scrappage declined and new vehicle sales increased.

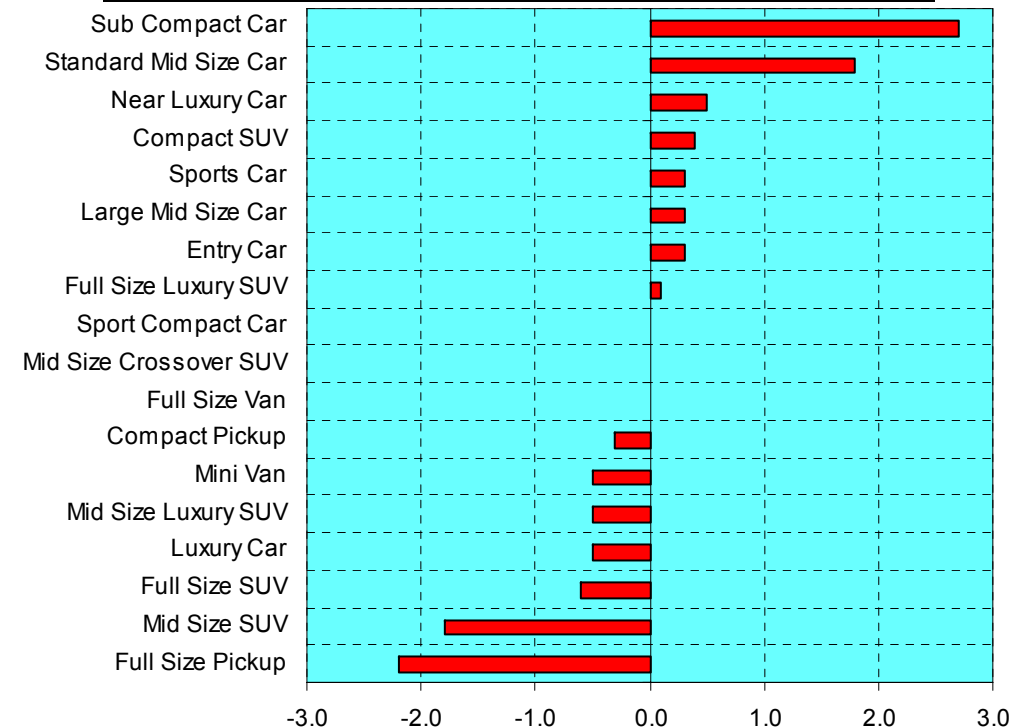
Source: CNW Marketing Research, Inc.

Segment Watch

Sub Compact Car Segment Continues to Post 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 nine months of this year. The graph on the right provides a snapshot of market segments that have lost or gained market share during the first nine months of this year versus the same period a year earlier. The table below shows the top sellers in each segment.

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



Observations: Higher gas prices continued to fuel market share gains in the Sub Compact Car segment. Standard Mid Size Car market share was also up sharply. The Full Size Pickup and Mid Size SUV segments had the largest declines. Audi A4 was the best-selling Near Luxury Car in Colorado, while the Subaru Legacy led the Standard Mid Size Segment.

Source: AutoCount, an Experian Company.

Top Selling Models in Each Segment - Colorado
New Retail Registrations, YTD '06 (thru Sept.) 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	565	32.9	Honda Civic	3150	14.8	Ford Mustang	1423	51.8	Subaru Legacy	3503	24.7
Toyota Yaris	327	19.1	Toyota Corolla	2171	10.2	Scion tC	486	17.7	Honda Accord	2882	20.3
Scion xA	254	14.8	Chevrolet Cobalt	1425	6.7	Mitsubishi Eclipse	338	12.3	Toyota Camry	1938	13.7
Kia Rio	236	13.8	Toyota Prius	1383	6.5	Acura RSX	179	6.5	Nissan Altima	1209	8.5
Hyundai Accent	156	9.1	Volkswagen Jetta	1324	6.2	Hyundai Tiburon	145	5.3	Ford Fusion	839	5.9
Large Mid Size			Near Luxury			Luxury			Sports Car		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Chrysler 300	1059	20.2	Audi A4	1013	17.6	Mercedes E-Class	427	15.5	Chevrolet Corvette	284	22.4
Chevrolet Impala	718	13.7	BMW 3-Series	928	16.1	BMW 5-Series	305	11.1	Nissan 350 ZX	184	14.5
Toyota Avalon	536	10.2	Volvo 40/50	695	12.1	Lexus GS	216	7.8	Mazda MX5	154	12.2
Nissan Maxima	433	8.3	Acura TL	644	11.2	Cadillac DTS	213	7.7	Pontiac Solstice	141	11.1
Buick Lucerne	392	7.5	Lexus IS	422	7.3	Infiniti M	183	6.6	Porsche 911	112	8.8
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	1964	35.5	Ford F-Series	7117	42.9	Honda Odyssey	170	31.9	Chevrolet Express	356	45.9
Ford Ranger	868	15.7	Chevrolet Silverado	3222	19.4	Ford Freestar	74	13.9	Ford E-Series	275	35.4
Nissan Frontier	734	13.3	Dodge Ram	2100	12.7	Dodge Caravan	62	11.6	GMC Savana	126	16.2
Honda Ridgeline	693	12.5	GMC Sierra	1977	11.9	Chevrolet Uplander	60	11.3			
Dodge Dakota	610	11.0	Toyota Tundra	1235	7.4	Saturn Relay	40	7.5			
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	2017	16.3	Toyota 4Runner	2822	16.2	Chevrolet Tahoe	1495	26.6	Lexus RX350	1230	21.6
Jeep Liberty	1554	12.5	Honda Pilot	2066	11.9	GMC Yukon	1390	24.7	Volvo XC90	653	11.5
Ford Escape	1245	10.0	Dodge Durango	1998	11.5	Toyota Land Cruiser	659	11.7	Cadillac Escalade	545	9.6
Jeep Wrangler	1239	10.0	Jeep Grand Cherokee	1856	10.6	Ford Expedition	515	9.2	Acura MDX	490	8.6
Nissan Xterra	1142	9.2	Subaru Forester	1242	7.1	Hummer H3	490	8.7	Land Rover Range F	377	6.6

Market Trending Analysis

Toyota is "Trending Up" in the Colorado Market

Popular statistical analysis of automotive sales often concentrates on two basic measurements. First, how have sales changed versus the same period a year earlier? Are they up or down? And two, what have sales been like in the recent past, i.e., a week or a month? The problem with these two measurements is that they don't look at the overall trend over a longer period of time.

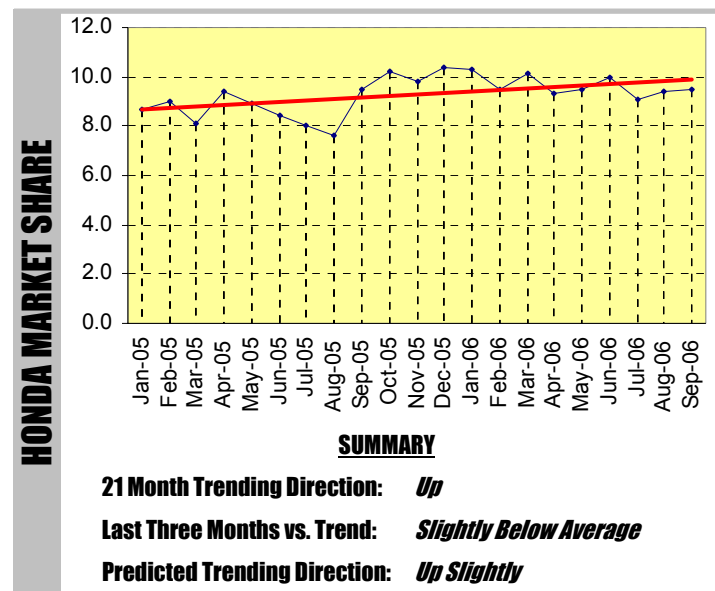
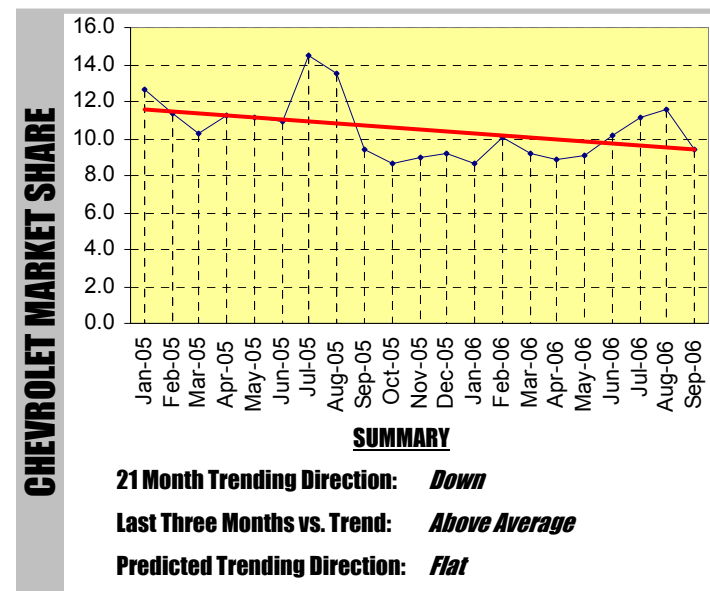
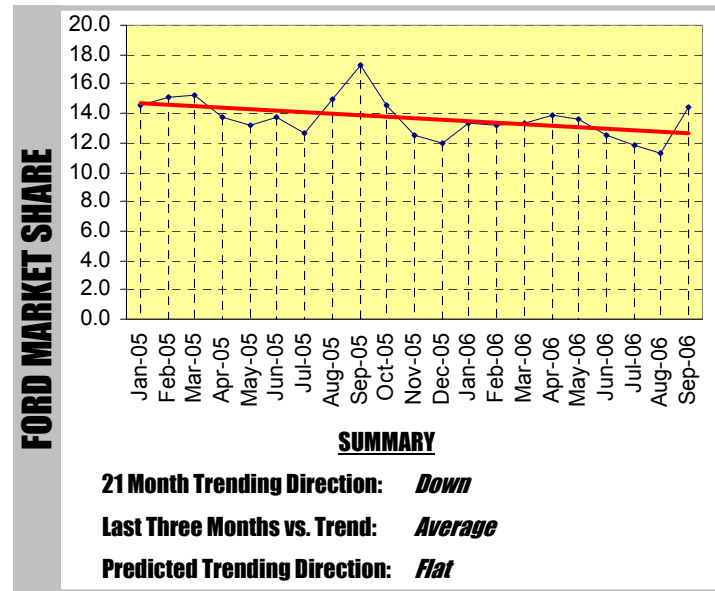
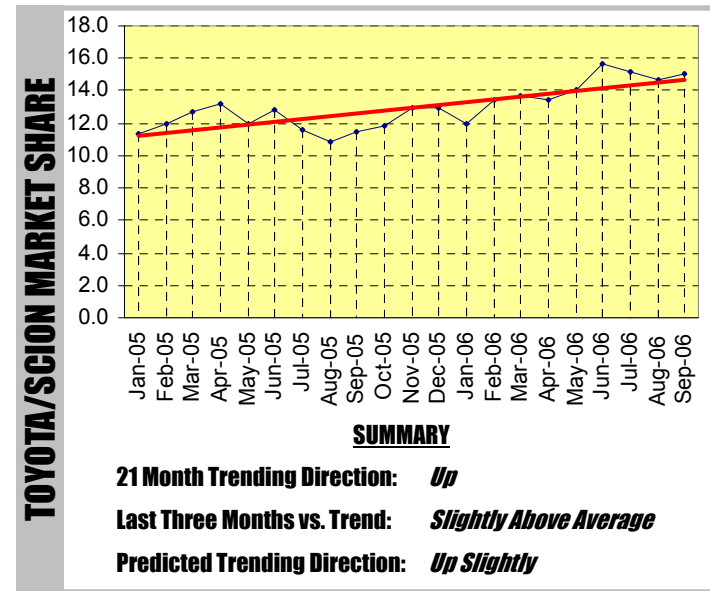
For instance, sales might have gone up last month versus a year earlier, but if the trend for the past several months is sharply lower, that singular indicator might be misleading. The following graphs focus on the longer term trend for the Top 10

selling brands in the Colorado retail market. For each brand, the graph shows monthly new retail light vehicle market share over the past 21 months.

The graphs also have a trend line that "fits" the data. This trend line conveys a great deal of information regarding the recent and longer term sales performance for each brand in the state market. A "downward sloping" line (i.e., down from left to right) indicates that market share is generally trending lower over the 21 month period. The steeper the slope of the line, the greater the decrease. Conversely, an "upward sloping" line (i.e., up from left to right) indicates that market

share is trending higher over the period (Toyota, for example).

Want to know what sales performance has been like over the past few months? Check the actual monthly market share as indicated by the dots on the graph. If the dots are above the line, market share has exceeded the trend, which could be an indicator that the trend is likely to improve. The opposite is true if the dots are below the line. These basic evaluators are summarized for each of the 10 brands, as well as Auto Outlook's prediction for the future trend.



Market Trending Analysis (continued)

Subaru "Trending Up" in the Colorado Market

