Orange County Auto Outlook™

Comprehensive information on the Orange County automotive market

FORECAST

New Vehicle Market Increases Again in Second Quarter

Full year increase predicted to exceed 16%

Below is a concise summary of key trends and developments in the Orange County new vehicle market.

County new retail light vehicle registrations increased 10.6% in Second Quarter; market up 19.7% during first half of year
Inventory shortages resulting from the Japanese earthquake, a slowly growing economy, and higher fuel prices combined to ease the pace of the new vehicle sales recovery. Registrations in the First Quarter of this year surged 30% versus a year earlier compared to the slimmer 10.6% improvement in the Second Quarter.

13.2% increase predicted for second half of 2011 vs. 2010
Auto Outlook projects that registrations will approach 62,000 units during the last six months of this year, up about 13% versus a year earlier.

Forecast for all of 2011 is 123,708 units, a 16.3% increase versus 2010
A lot has happened during the first half of this year, but Auto Outlook's forecast has remained pretty much on track. The predicted 16.3% increase follows the 10.4% improvement last year.

Pent up demand will continue to give the market a boost, while several dragging forces will hold back the rate of growth
As discussed in the previous release of Auto Outlook, pent up demand (resulting from several years of delayed purchases during the sales downturn between 2008 and 2010) should be the primary driving force for the market for several more years. The stubbornly weak labor market, elevated household debt levels, and the moribund housing market will likely restrict, but not prevent, the continued new vehicle sales recovery.

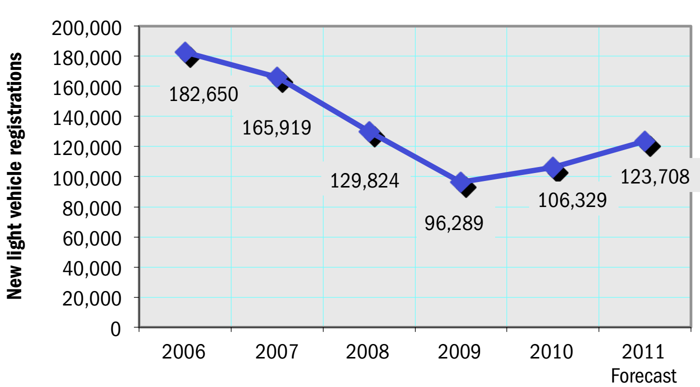
Kia, Jeep, and Hyundai have big gains in first half of year; Lexus, Mazda, and Toyota struggle
Successful new product introductions fueled big sales gains for Kia (Optima), Jeep (Grand Cherokee), and Hyundai (Sonata and Elantra). Results for several Japanese brands were hit hard due to the earthquake.

Light truck market share "rides the roller coaster" as gas prices fluctuate
Light truck market share in the county started the year at about 42%, and then trended lower into the Spring as gas prices headed higher. Not surprisingly, falling fuel prices contributed to an increase in light truck share in June.

Honda Accord best seller car in county market; CRV is light truck leader
Tighter inventories in the Second Quarter were not enough to dislodge the Accord as the best selling car in the county market. Hyundai Sonata gained significant ground, however.

Detroit Three reverse market share slide in first half of 2011
Shrinking inventories of Japanese models undoubtedly gave a boost to Detroit Three sales this year, but a steady slew of impressive new products were the primary reason. Detroit Three market share increased from 18% during 2010 to 19.4% during the first six months of this year.

Annual Trend in Orange County New Vehicle Market



The graph above shows annual new retail light vehicle registrations in the county from 2006 thru 2010, and Auto Outlook's projection for all of 2011.

Market Summary

	2009	2010	Forecast 2011	% ch. '10 to '11
TOTAL	96,289	106,329	123,708	16.3%
Car	58,419	63,928	76,946	20.4%
Light Truck	37,870	42,401	46,762	10.3%
Detroit Three	18,603	19,172	23,505	22.6%
European	20,236	22,516	26,597	18.1%
Japanese	51,975	56,628	62,967	11.2%
Korean	5,475	8,013	10,639	32.8%

Detroit Three consists of vehicles sold by GM, Ford and Chrysler.
Historical data Source: AutoCount data from Experian Automotive.

MARKET TRACKER

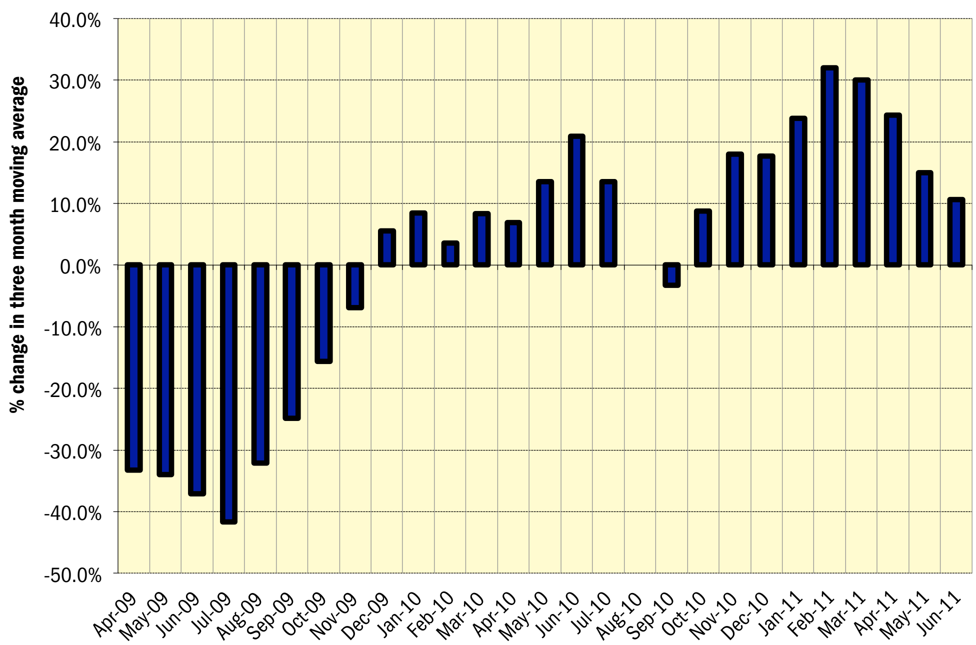
Pace of Sales Recovery Eases

Percent change in three month moving average increases for nine consecutive months

The graph to the right provides a clear picture of the general trending direction of the Orange County new retail light vehicle market. And as highlighted in the graph, the trend over the past 18 months is positive. The graph shows the year-over-year percent change in the three month moving average of new retail light vehicle registrations. The three month moving average provides a clearer picture of the trending direction than individual monthly registrations, which can fluctuate due to such factors as the timing of manufacturer incentive programs, weather, and vehicle title processing delays by governmental agencies.

As pointed out on page one, the market slowed down a bit during the Second Quarter of this year. The three month moving average was up more than 30% in February of this year, but eased to 10.6% in June.

Percent Change in Orange County New Retail Light Vehicle Registrations Three Month Moving Average versus Year Earlier



MARKET TRACKER

Light Truck Market Share Rebounds in Second Quarter

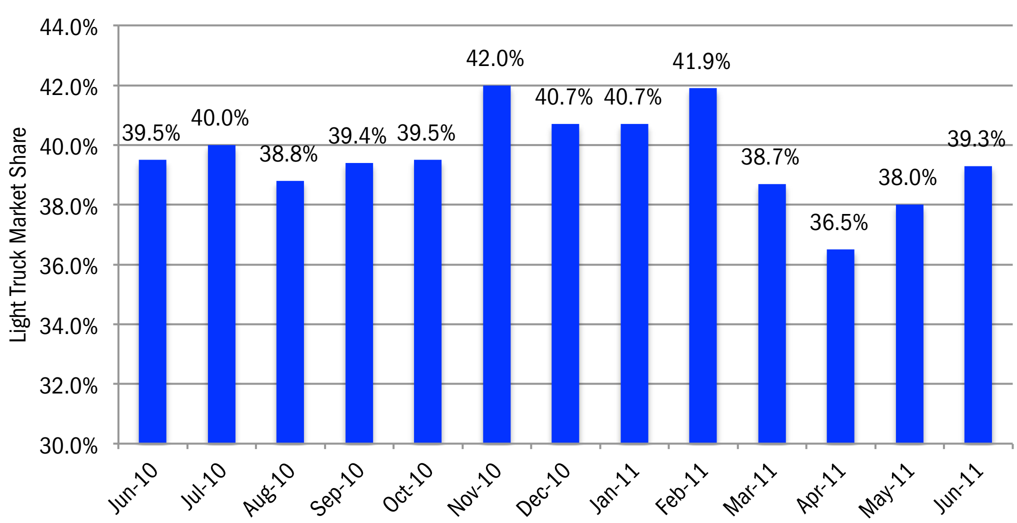
Somewhat lower fuel prices give a mild boost to light truck sales

The strong linkage between fuel prices and light truck market share remained intact during the Second Quarter of this year. Higher fuel prices led to a sharp drop in light truck market share in March and April. But sliding gas prices late in the Second Quarter drove consumers back to light trucks.

Light truck market share in the county declined from 41.9% in February of this year to 36.5% in April, before increasing to 39.3% in June.

Source: AutoCount data from Experian Automotive.

Light Truck Share of Orange County New Retail Light Vehicle Market June 2010 thru June 2011



MARKET TRENDS

Detroit Three Reverse Market Share Decline

County market share for Detroit Three increases 1.4 points in 2011

After nearly two decades of steady declines, collective market share for Detroit Three brands is now moving higher. As shown on the graph below, Domestic Brand market share in the county increased from 18.0% in 2010 to 19.4% during the first six months of this year. U.S. market share increased 1.8 points over the same period.

As shown on the table to the right, county new retail registrations for seven of the nine Detroit Three brands increased at a faster pace than the industry for the first half of this year. Jeep had the biggest increase (up 73.8%), followed by Buick, Chevrolet, and GMC.

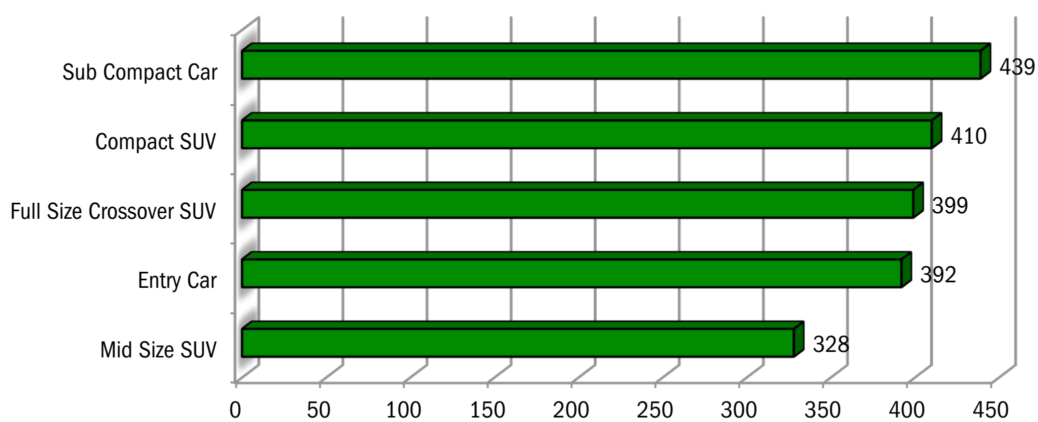
The graph to the right shows the five segments where domestic brands have had the highest gains in 2011. County Sub Compact Car registrations for the Detroit Three were up 439 units during the first six months of this year versus 2010. Chevrolet Cruze/Cobalt and Ford Focus had the biggest increases. Compact SUV registrations for the Detroit Three were also up sharply, with the Chevrolet Equinox and Jeep Patriot leading the way. Full Size Crossover SUV registrations were boosted by the new Ford Explorer.

Clearly, the Japanese earthquake and resulting product shortages gave a boost to Detroit Three sales this year. But the biggest reason for the market share recovery is a steady release of impressive new products, including the Ford Focus, Chevrolet Cruze, and Jeep Grand Cherokee, to name a few. Looking ahead to the rest of this year and 2012, inventory shortages impacting Japanese brands will ease, and import brand competitors Hyundai, Kia, and Volkswagen (among others) will have the "petal to the medal" as the industry rebound continues. However, the Detroit Three will be fighting the market share battle from a position of strength.

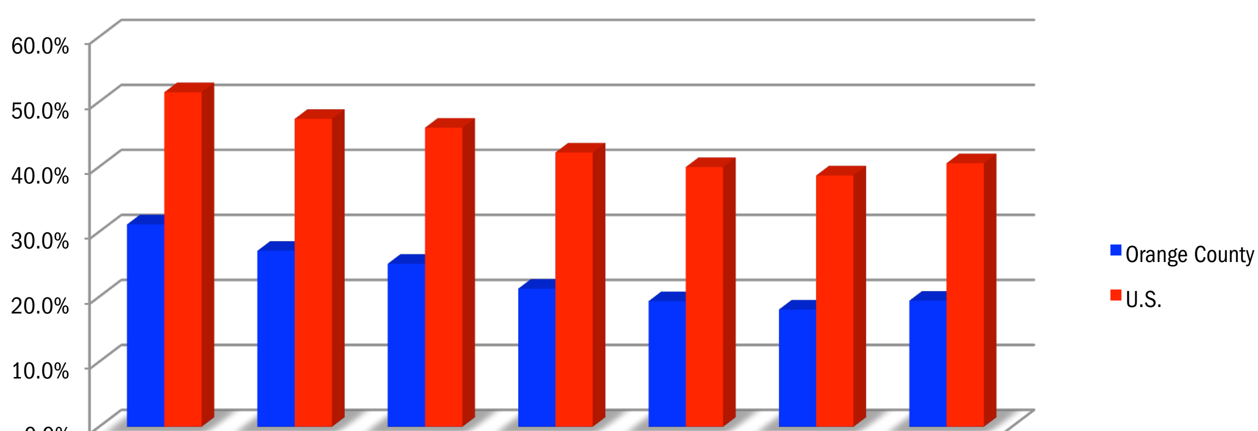
Change in Detroit Three
New Retail Light Vehicle Registrations
YTD 2011 thru June vs. YTD 2010

Brand	YTD '10 Regs.	YTD '11 Regs.	% change
Jeep	599	1041	73.8%
Buick	209	312	49.3%
Chevrolet	1936	2740	41.5%
GMC	661	905	36.9%
Ford	3973	5076	27.8%
Dodge	654	815	24.6%
Cadillac	516	627	21.5%
INDUSTRY	*51538*	*61708*	*19.7%*
Chrysler	216	236	9.3%
Lincoln	189	182	-3.7%

Top Five Gaining Segments for Detroit Three - YTD '11 thru June vs. YTD '10



Detroit Three County and U.S. Market Share - 2005 thru 2010 and YTD 2011 thru June



	2005	2006	2007	2008	2009	2010	YTD '11
Orange County	31.1%	27.1%	25.1%	21.2%	19.3%	18.0%	19.4%
U.S.	51.5%	47.4%	46.0%	42.2%	40.0%	38.7%	40.5%

BRAND SCOREBOARD PART 1

Kia and Jeep Post Consistent Gains So Far This Year

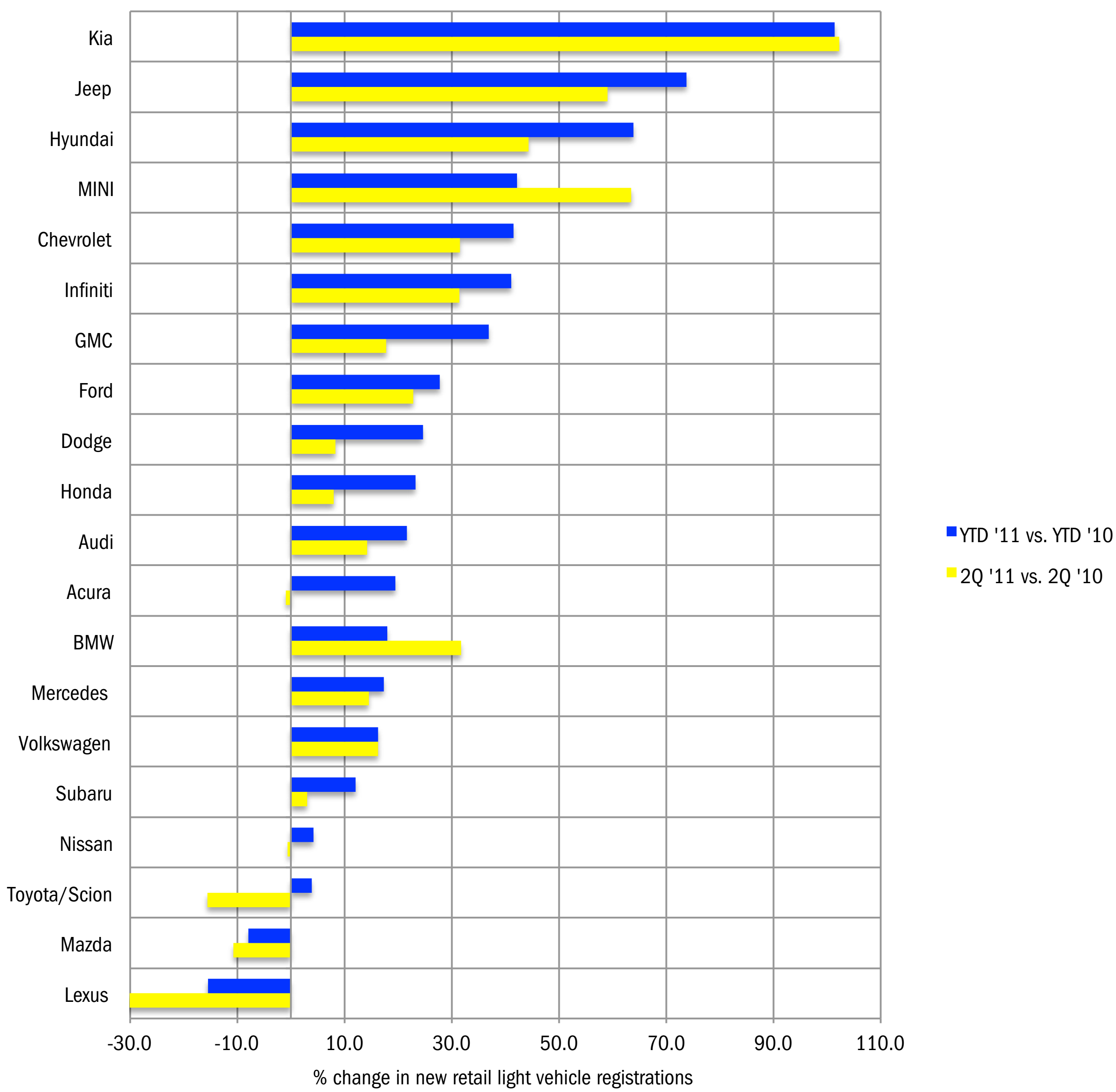
Lexus and Mazda struggle

The graph below provides a quick snapshot of brand sales performance in the county market. For the top 20 selling brands, it 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, and the change from Second Quarter of 2010 to the Second Quarter of 2011.

Brands with big increases during both time periods (i.e., Kia, Jeep, Hyundai, MINI, and Chevrolet) are the biggest winners so far this year. The Japanese earthquake obviously made it difficult for Japanese brands to post an increase from the First to the Second Quarter. Lexus, Mazda, and Toyota had declines of more than 10%.

Source: AutoCount data from Experian Automotive.

Percent Change in County New Retail Light Vehicle Registrations (Top 20 Selling Brands)
YTD 2011 thru June vs. YTD 2010 & Second Quarter 2011 vs. Second Quarter 2010



BRAND SCOREBOARD PART 2

Mercedes and Toyota Relatively Strong Performers in County

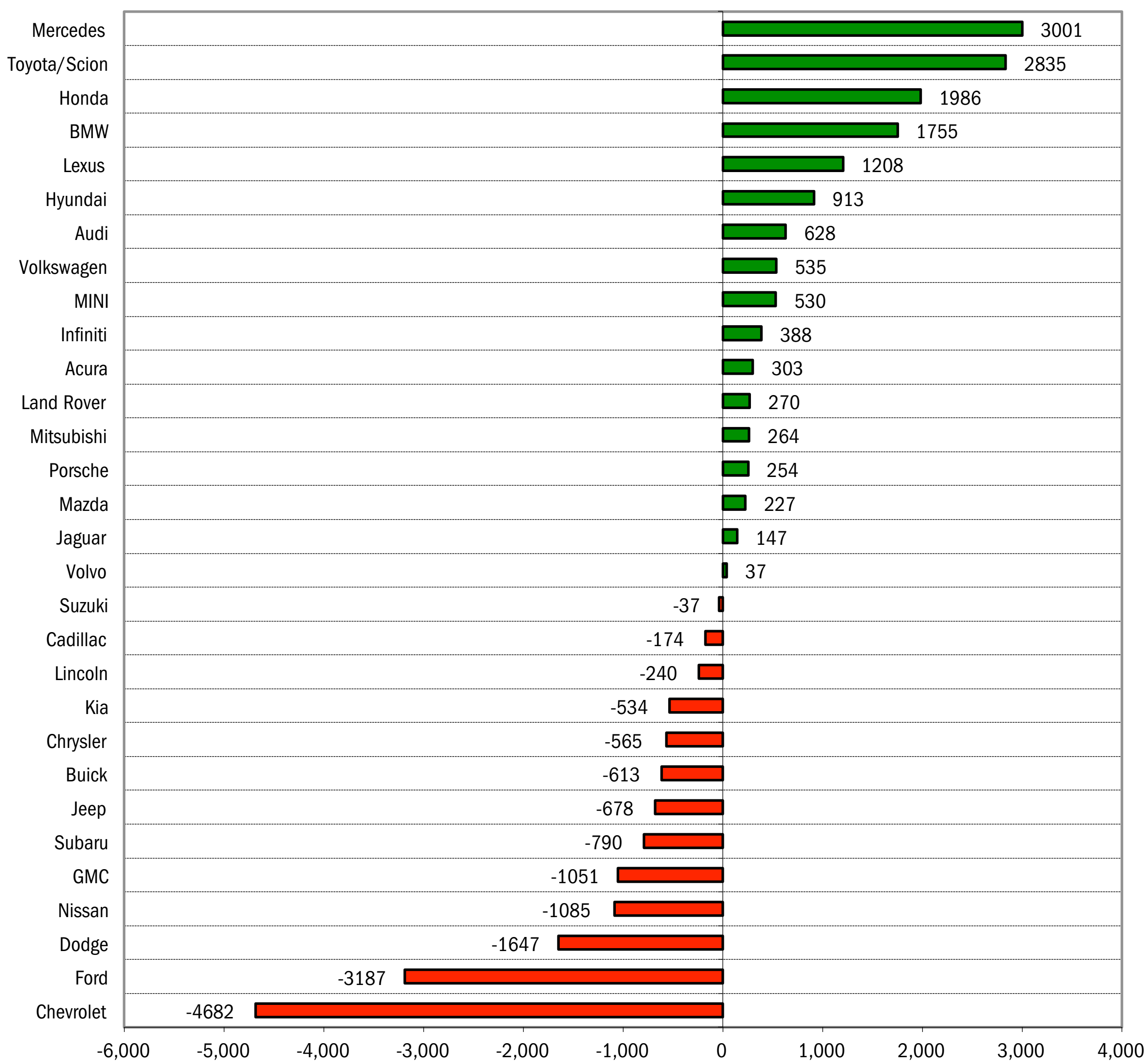
Honda, BMW, and Lexus also rank high

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

Brands at the top of the graph (i.e., Mercedes, Toyota/Scion, Honda, BMW, Lexus, and Hyundai) are relatively strong sellers in the county, with actual registrations exceeding the calculated target by a large margin. For instance, Mercedes registrations exceeded the calculated target by 3,001 units.

Source for registration data: AutoCount data from Experian Automotive.

Orange County Retail Market Performance based on registrations for YTD 2011 thru June
Actual registrations minus target (county industry registrations times U.S. market share)



Actual registrations minus target (area industry registrations times U.S. market share)

SEGMENT WATCH

Entry Car Segment Has Largest Increase

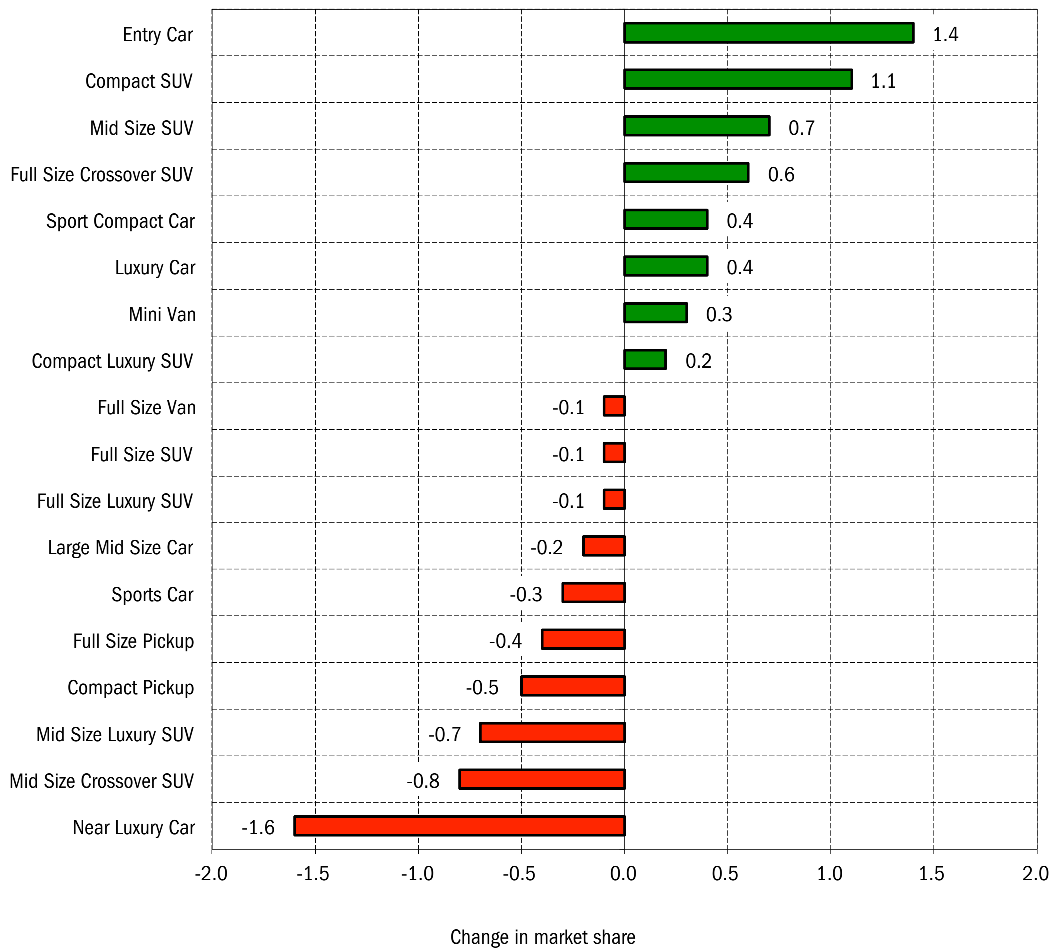
Hybrid market share increased

The Entry Car segment was the biggest winner in the Orange County market during the first half of this year. Market share for the segment increased 1.4 points in the first half of this year versus a year earlier. Strong sales of the Ford Fiesta and Kia Soul contributed to the increase. Compact SUV market was up 1.1 points, boosted by the Honda CRV, Kia Sportage, and Nissan Juke.

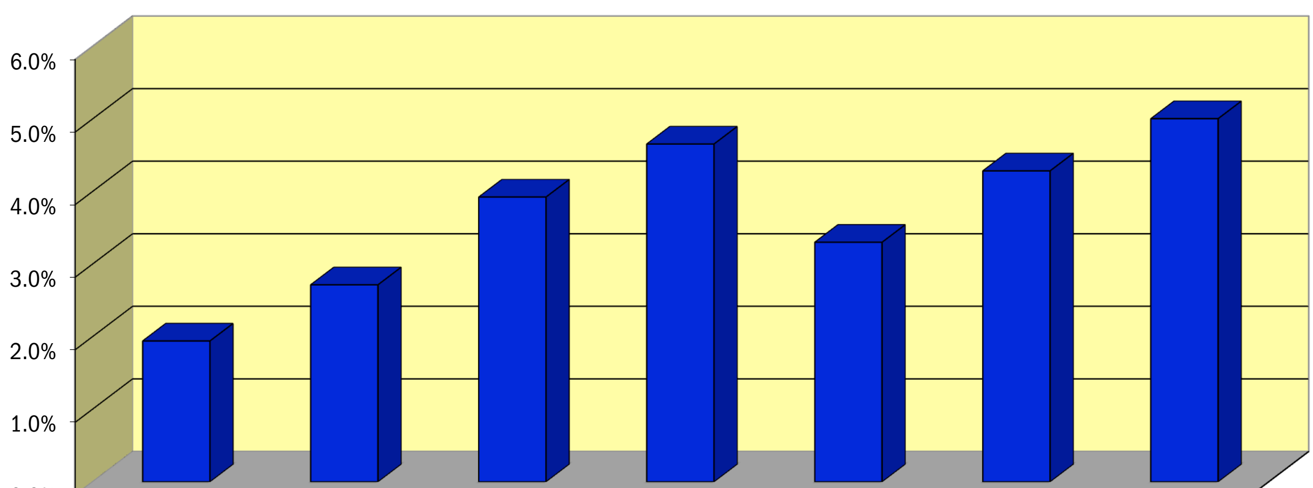
As shown on the graph below, hybrid vehicle market share increased from 4.3% during the first six months of last year to 5% this year.

Source: AutoCount data from Experian Automotive.

Change in Segment Market Share - YTD 2011 thru June vs YTD 2010



Hybrid Vehicle Market Share in Orange County - YTD thru June, 2005 to 2011



	2005	2006	2007	2008	2009	2010	2011
Mkt. Share	1.9%	2.7%	3.9%	4.7%	3.3%	4.3%	5.0%

COMPARISON OF ORANGE COUNTY, LOS ANGELES COUNTY, AND U.S. MARKETS

Orange County Market Improved 19.7% in First Half of 2011

Los Angeles County market was up 18.8%; U.S. up 19.6%

	Orange County Retail Market	Los Angeles County Retail Market	U.S. Retail Market
Market Growth **% change in registrations** **YTD 2011 thru June vs. YTD 2010**	19.7%	18.8%	19.6%
Car Market Share **Car share of industry retail light vehicle** **YTD 2011 thru June**	60.9%	65.3%	50.7%
Domestic Brand Market Share **Domestic brand share of industry retail light vehicle registrations - YTD 2011 thru June**	19.4%	17.7%	40.5%

	New Retail Registrations - YTD 2011 thru June						Market Share (YTD 2011 thru June)		
	Orange County		Los Angeles County		U.S.				
Brand	Regs.	% ch. from '10	Regs.	% ch. from '10	Regs.	% ch. from '10	Orange County	L.A. County	U.S.
Acura	1,090	19.5%	2,648	27.3%	63,361	16.2%	1.8	1.7	1.3
Audi	1,244	21.6%	3,852	3.9%	49,396	10.8%	2.0	2.5	1.0
BMW	3,044	18.0%	8,301	19.1%	103,204	21.0%	4.9	5.5	2.1
Buick	312	49.3%	638	36.9%	74,303	39.5%	0.5	0.4	1.5
Cadillac	627	21.5%	1,592	43.7%	64,403	33.3%	1.0	1.0	1.3
Chevrolet	2,740	41.5%	7,069	48.6%	596,311	27.6%	4.4	4.7	12.0
Chrysler	236	9.3%	535	54.2%	64,029	41.3%	0.4	0.4	1.3
Dodge	815	24.6%	2,106	50.8%	197,624	34.7%	1.3	1.4	4.0
Fiat	29		100		1,400		0.0	0.1	0.0
Ford	5,076	27.8%	10,680	31.1%	662,749	22.8%	8.2	7.0	13.4
GMC	905	36.9%	1,609	19.9%	157,353	28.5%	1.5	1.1	3.2
Honda	8,835	23.2%	23,841	21.7%	550,791	12.0%	14.3	15.7	11.1
Hyundai	4,295	63.9%	6,188	100.1%	270,379	43.9%	7.0	4.1	5.5
Infiniti	968	41.1%	2,509	19.6%	46,665	15.9%	1.6	1.7	0.9
Jaguar	217	53.9%	516	8.4%	5,595	16.2%	0.4	0.3	0.1
Jeep	1,041	73.8%	1,971	73.5%	137,507	58.7%	1.7	1.3	2.8
Kia	1,931	101.4%	3,958	95.7%	196,889	73.5%	3.1	2.6	4.0
Land Rover	461	41.4%	1,187	9.0%	15,288	15.5%	0.7	0.8	0.3
Lexus	2,377	-15.5%	5,708	-20.1%	94,246	-7.5%	3.9	3.8	1.9
Lincoln	182	-3.7%	568	10.9%	33,856	3.9%	0.3	0.4	0.7
Mazda	1,402	-7.9%	2,339	-2.8%	94,131	-0.3%	2.3	1.5	1.9
Mercedes	4,242	17.3%	9,837	8.0%	99,320	10.8%	6.9	6.5	2.0
MINI	886	42.2%	2,444	52.9%	28,380	55.4%	1.4	1.6	0.6
Mitsubishi	610	16.6%	602	-1.6%	27,660	39.5%	1.0	0.4	0.6
Nissan	3,351	4.2%	10,628	30.4%	356,609	16.6%	5.4	7.0	7.2
Porsche	425	45.5%	1,366	35.9%	13,718	46.2%	0.7	0.9	0.3
Saab	19	280.0%	81	80.0%	3,237	61.7%	0.0	0.1	0.1
smart	22	-48.8%	115	-22.8%	1,996	-26.6%	0.0	0.1	0.0
Subaru	750	12.1%	1,643	13.5%	123,844	16.3%	1.2	1.1	2.5
Suzuki	104	7.2%	27	8.0%	11,319	17.0%	0.2	0.0	0.2
Toyota/Scion	10,798	3.9%	29,691	0.7%	641,096	1.9%	17.5	19.6	12.9
Volkswagen	2,150	16.3%	6,114	28.0%	129,065	24.6%	3.5	4.0	2.6
Volvo	385	44.2%	940	14.6%	27,840	25.3%	0.6	0.6	0.6
Other	139	-39.3%	322	-44.3%	9,867	-79.3%	0.2	0.2	0.2

The two tables above provide a comparison of the Orange County, Los Angeles County, and U.S. new retail light vehicle markets.

Source: AutoCount data from Experian Automotive.

Orange County New Retail Car and Light Truck Registrations

	June				Three Month Period Apr '11 thru June '11				YTD thru June				YTD Market Share (%)		
	Orange County			U.S.	Orange County			U.S.	Orange County			U.S.	Orange County		
	2010	2011	% chg.	% chg.	Yr. Ago	Current	% chg.	% chg.	2010	2011	% chg.	% chg.	2010	2011	Chg.
MARKET SUMMARY															
TOTAL	9,769	10,548	8.0%	3.7%	27,382	30,296	10.6%	7.8%	51,538	61,708	19.7%	19.6%			
Cars	5,914	6,406	8.3%	5.0%	16,645	18,797	12.9%	10.5%	31,096	37,565	20.8%	19.4%	60.3	60.9	0.6
Light Trucks	3,855	4,142	7.4%	2.3%	10,737	11,499	7.1%	5.0%	20,442	24,143	18.1%	19.8%	39.7	39.1	-0.6
Domestic	1,804	2,246	24.5%	14.2%	4,773	5,938	24.4%	14.4%	9,081	11,968	31.8%	26.6%	17.6	19.4	1.8
Japanese	5,063	4,392	-13.3%	-15.6%	14,968	14,003	-6.4%	-5.5%	28,017	30,285	8.1%	8.0%	54.4	49.1	-5.3
European	2,070	2,589	25.1%	15.4%	5,535	6,987	26.2%	15.3%	10,860	13,229	21.8%	19.2%	21.1	21.4	0.3
Korean	832	1,321	58.8%	43.8%	2,106	3,368	59.9%	43.8%	3,580	6,226	73.9%	54.8%	6.9	10.1	3.2
BRAND REGISTRATIONS															
Acura	179	139	-22.3%	-15.2%	536	531	-0.9%	0.6%	912	1,090	19.5%	16.2%	1.8	1.8	0.0
Audi	187	232	24.1%	3.6%	542	619	14.2%	3.1%	1,023	1,244	21.6%	10.8%	2.0	2.0	0.0
BMW	451	598	32.6%	23.2%	1,216	1,602	31.7%	16.1%	2,580	3,044	18.0%	21.0%	5.0	4.9	-0.1
Buick	29	55	89.7%	20.3%	94	147	56.4%	22.3%	209	312	49.3%	39.5%	0.4	0.5	0.1
Cadillac	98	109	11.2%	7.3%	259	280	8.1%	10.5%	516	627	21.5%	33.3%	1.0	1.0	0.0
Chevrolet	420	471	12.1%	6.5%	1,014	1,333	31.5%	13.3%	1,936	2,740	41.5%	27.6%	3.8	4.4	0.6
Chrysler	47	60	27.7%	39.2%	124	127	2.4%	28.1%	216	236	9.3%	41.3%	0.4	0.4	0.0
Dodge	140	145	3.6%	7.4%	374	405	8.3%	13.3%	654	815	24.6%	34.7%	1.3	1.3	0.0
Fiat	0	17			0	29			0	29					
Ford	777	1,002	29.0%	11.2%	2,109	2,590	22.8%	12.1%	3,973	5,076	27.8%	22.8%	7.7	8.2	0.5
GMC	127	128	0.8%	2.0%	343	404	17.8%	9.7%	661	905	36.9%	28.5%	1.3	1.5	0.2
Honda	1,296	1,297	0.1%	-10.5%	3,892	4,202	8.0%	0.1%	7,173	8,835	23.2%	12.0%	13.9	14.3	0.4
Hyundai	615	891	44.9%	29.3%	1,539	2,221	44.3%	29.7%	2,621	4,295	63.9%	43.9%	5.1	7.0	1.9
Infiniti	129	141	9.3%	-11.3%	350	460	31.4%	-2.9%	686	968	41.1%	15.9%	1.3	1.6	0.3
Jaguar	27	66	144.4%	6.0%	58	131	125.9%	15.4%	141	217	53.9%	16.2%	0.3	0.4	0.1
Jeep	125	218	74.4%	57.1%	332	528	59.0%	48.2%	599	1,041	73.8%	58.7%	1.2	1.7	0.5
Kia	217	430	98.2%	71.4%	567	1,147	102.3%	69.1%	959	1,931	101.4%	73.5%	1.9	3.1	1.2
Land Rover	69	98	42.0%	6.5%	162	243	50.0%	6.5%	326	461	41.4%	15.5%	0.6	0.7	0.1
Lexus	536	281	-47.6%	-32.8%	1,405	958	-31.8%	-17.5%	2,814	2,377	-15.5%	-7.5%	5.5	3.9	-1.6
Lincoln	27	41	51.9%	2.7%	85	93	9.4%	0.9%	189	182	-3.7%	3.9%	0.4	0.3	-0.1
Mazda	268	263	-1.9%	-8.8%	792	707	-10.7%	-7.9%	1,523	1,402	-7.9%	-0.3%	3.0	2.3	-0.7
Mercedes	682	775	13.6%	10.2%	1,875	2,147	14.5%	3.8%	3,617	4,242	17.3%	10.8%	7.0	6.9	-0.1
MINI	125	196	56.8%	63.7%	329	538	63.5%	64.6%	623	886	42.2%	55.4%	1.2	1.4	0.2
Mitsubishi	74	86	16.2%	37.4%	237	284	19.8%	33.6%	523	610	16.6%	39.5%	1.0	1.0	0.0
Nissan	566	581	2.7%	-9.5%	1,642	1,632	-0.6%	3.0%	3,217	3,351	4.2%	16.6%	6.2	5.4	-0.8
Porsche	48	85	77.1%	48.4%	143	232	62.2%	49.3%	292	425	45.5%	46.2%	0.6	0.7	0.1
Saab	1	3		123.3%	1	12	1100.0%	178.9%	5	19	280.0%	61.7%	0.0	0.0	0.0
smart	7	6	-14.3%	-21.3%	28	15	-46.4%	-21.7%	43	22	-48.8%	-26.6%	0.1	0.0	-0.1
Subaru	97	105	8.2%	-1.1%	333	343	3.0%	5.7%	669	750	12.1%	16.3%	1.3	1.2	-0.1
Suzuki	12	22	83.3%	20.6%	48	46	-4.2%	11.1%	97	104	7.2%	17.0%	0.2	0.2	0.0
Toyota/Scion	1,906	1,477	-22.5%	-20.8%	5,732	4,840	-15.6%	-14.0%	10,396	10,798	3.9%	1.9%	20.2	17.5	-2.7
Volkswagen	424	437	3.1%	30.5%	1,020	1,186	16.3%	24.1%	1,849	2,150	16.3%	24.6%	3.6	3.5	-0.1
Volvo	35	66	88.6%	38.9%	109	192	76.1%	34.5%	267	385	44.2%	25.3%	0.5	0.6	0.1
Other	28	27	-3.6%	-86.1%	92	72	-21.7%	-81.7%	229	139	-39.3%	-79.3%	0.4	0.2	-0.2

Orange County Auto Outlook

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Phone: 800-206-0102 EMail: jfoltz@autooutlook.com

Explanation of Data

Data presented in Auto Outlook measures new vehicle registrations in Orange County. Monthly recording of registrations occurs when vehicle title information is processed.

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