

California Auto Outlook™

Comprehensive information on the California new vehicle market

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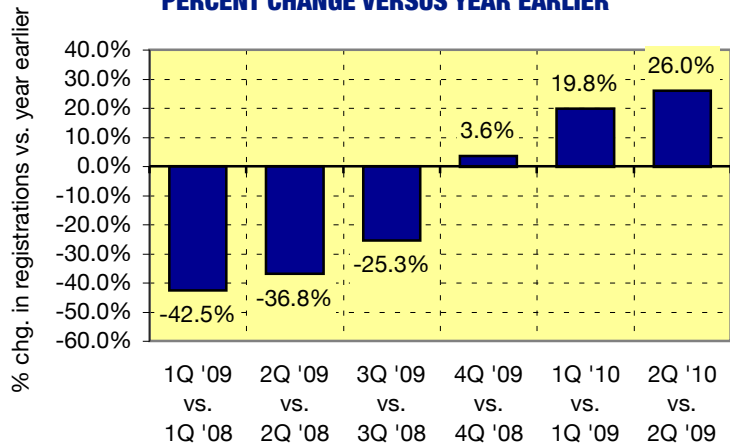
FORECAST AND ANALYSIS OF CALIFORNIA NEW LIGHT VEHICLE MARKET

Market Up 23 Percent in First Half of Year; Pace of Improvement Predicted to Ease

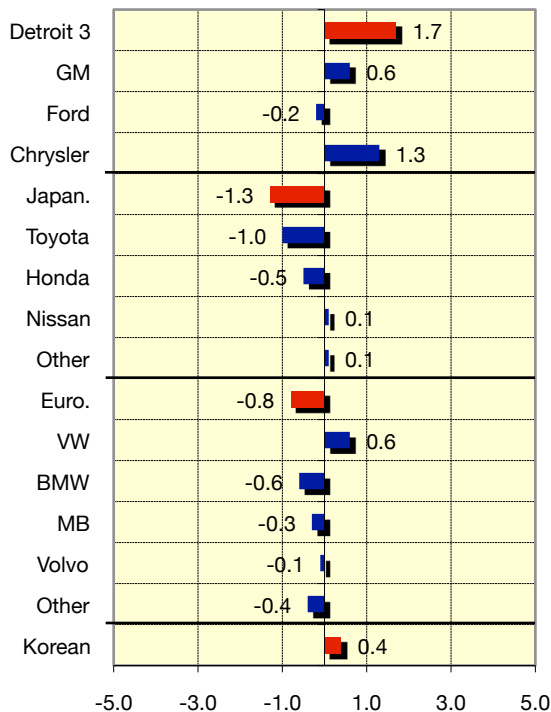
As predicted, the California new vehicle market continued to improve over the past several months. Second Quarter new vehicle registrations increased nearly 44,000 units from the First Quarter, and were up 26 percent versus a year earlier. The market improved 23 percent during the first six months of this year versus 2009. The pace of improvement is expected to ease in the second half of the year, however, with an 8.3 percent increase predicted. Below are other key trends in the state market:

- Detroit Three market share increased 1.7 share points during the first half of this year versus a year earlier.
- Passenger car market share increased 2.8 share points during the first six months of this year.
- Honda Accord was the best-selling vehicle in state's new retail market.

QUARTERLY NEW LIGHT VEHICLE REGISTRATIONS IN CALIFORNIA PERCENT CHANGE VERSUS YEAR EARLIER

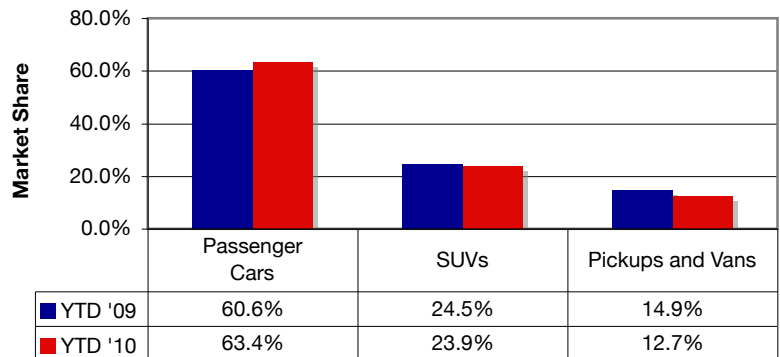


CHANGE IN NEW LIGHT VEHICLE MARKET SHARE - YTD 2010 thru June vs. YTD 2009



Brands included above: Detroit 3: GM (Buick, Cadillac, Chevrolet, GMC, Hummer, 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 and Smart), Volvo, Other (Aston Martin, Ferrari, Jaguar, Land Rover, Lotus, Maserati, and Saab). Korean: Hundai and Kia.

SEGMENTATION IN CALIFORNIA NEW LIGHT VEHICLE MARKET YTD 2009 and 2010 (thru June)



As shown on the graph above, passenger car market share in the state increased from 60.6 percent in the first half of 2009 to 63.4 percent this year. SUV, Pickup, and Van market share declined.

Source: AutoCount data from Experian Automotive.

CALIFORNIA NEW LIGHT VEHICLE REGISTRATIONS (INCLUDES RETAIL AND FLEET TRANSACTIONS)					
	2008	2009	Forecast 2010	% ch. '08 to '09	% ch. '09 to '10
TOTAL	1,447,460	1,038,271	1,196,910	-28.3%	15.3%
Car	875,415	647,734	764,825	-26.0%	18.1%
Light Truck	572,045	390,537	432,085	-31.7%	10.6%
Detroit Three	469,397	298,567	354,285	-36.4%	18.7%
Japanese	732,340	523,265	596,061	-28.5%	13.9%
European	194,895	157,977	177,143	-18.9%	12.1%
Korean	50,828	58,462	69,421	15.0%	18.7%

MODEL SALES

Honda Accord and Civic Rank First and Second in California New Retail Market

Top Selling Models in Each Segment - California											
New Retail Registrations and Market Share of Segment (YTD 2010 thru June)											
Cars											
Entry			Sub Compact			Sporty Compact			Standard Mid Size		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Nissan Versa	4094	20.6	Honda Civic	20091	21.8	Chevrolet Camaro	3401	39.4	Honda Accord	20597	30.1
Honda Fit	3926	19.7	Toyota Corolla/Matrix	18106	19.6	Ford Mustang	2459	28.5	Toyota Camry	18517	27.1
Toyota Yaris	3242	16.3	Toyota Prius	14800	16.0	Scion TC	1348	15.6	Nissan Altima	8672	12.7
Nissan Cube	2042	10.3	Volkswagen Jetta	7208	7.8	Dodge Challenger	1290	15.0	Ford Fusion	5174	7.6
Honda Insight	1942	9.8	Mazda 3	6218	6.7	Mitsubishi Eclipse	129	1.5	Hyundai Sonata	4440	6.5
Large Mid Size			Near Luxury			Luxury			Sports Car		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Nissan Maxima	1516	21.8	BMW 3-Series	9175	22.8	Mercedes E-Class	6486	32.0	Nissan 370Z	817	20.6
Buick LaCrosse	1099	15.8	Mercedes C-Class	5495	13.6	BMW 5-Series	2696	13.3	Porsche 911	607	15.3
Ford Taurus	1094	15.7	Lexus IS	4338	10.8	Audi A5	1507	7.4	Chevrolet Corvette	530	13.4
Toyota Avalon	873	12.5	Infiniti G	3678	9.1	Mercedes S-Class	1280	6.3	Porsche Unknown	476	12.0
Dodge Charger	778	11.2	Audi A4	3265	8.1	BMW 7-Series	1180	5.8	Mazda MX5	337	8.5
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	7725	60.9	Ford F-Series	9383	34.1	Honda Odyssey	5104	40.3	Ford E-Series	1048	37.3
Ford Ranger	1892	14.9	Chevrolet Silverado	6469	23.5	Toyota Sienna	4962	39.2	Ford Transit Connect	818	29.1
Nissan Frontier	1818	14.3	Toyota Tundra	4957	18.0	Mazda 5	640	5.0	Chevrolet Express	605	21.6
Honda Ridgeline	610	4.8	Dodge Ram	3220	11.7	Volkswagen Routan	636	5.0	Dodge Sprinter	222	7.9
Chevrolet Colorado	369	2.9	GMC Sierra	2203	8.0	Chrysler T & C	603	4.8	GMC Savana	114	4.1
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	8325	21.7	Honda Pilot	5259	13.7	Chevrolet Tahoe	1654	29.3	Lexus RX	7063	22.6
Toyota RAV4	7833	20.4	Toyota Highlander	4482	11.6	Ford Expedition	845	15.0	Mercedes ML-Class	2556	8.2
Ford Escape	4139	10.8	Ford Edge	3799	9.9	GMC Yukon	745	13.2	Acura MDX	2330	7.5
Nissan Rogue	2912	7.6	Toyota Venza	3109	8.1	Toyota Sequoia	640	11.3	BMW X5	2285	7.3
Chevrolet Equinox	2783	7.3	Subaru Forester	2676	6.9	Chevrolet Suburban	631	11.2	Mercedes GLK	1999	6.4

MARKET PERSPECTIVE

Increase in California Market Outpaces U.S. in First Half

New light vehicle registrations (including retail and fleet transactions) in California increased 23 percent in the first half of this year versus a year earlier, higher than the 16.8 percent improvement in the U.S. market (see table below). Car market share in California exceeded National levels by ten share points. Domestic brand market share (the Detroit Three) in California was 31 percent versus 45.5 percent in the Nation.

NEW LIGHT VEHICLE MARKET COMPARISON (INCLUDES RETAIL AND FLEET TRANSACTIONS)			
Market	% change in registrations YTD '10 (June) vs. YTD '09	Car market share YTD '10	Domestic brand share YTD '10
California	23.0%	63.4%	31.0%
U.S.	16.8%	53.4%	45.5%

Data Source: AutoCount, an Experian Company.

DATA SOURCE INFORMATION

Exclusive source for new vehicle registration data presented in California Auto Outlook is AutoCount, an Experian Company. AutoCount specializes in providing detailed new and used vehicle sales and registration statistics. Data is available on a timely basis and is available directly over the Internet.

For more information on Auto Count, call 888-211-5809 or visit AutoCount's web site: www.experianautomotive.com

AutoCount
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EXPLANATION OF DATA

Data presented in Auto Outlook measures new vehicle registrations in California. Monthly recording of registrations occurs when the data is processed by the DMV.

BRAND SCOREBOARD

Detailed Results for All Brands in California Market

The table shows new light vehicle registrations in California, including retail and fleet transactions. **Please keep in mind that monthly registration figures can occasionally be subject to fluctuations, resulting in over or under estimation of actual results. This usually occurs due to processing delays by governmental agencies. For this reason, the year-to-date figures will typically be more reflective of market results.** The top 10 ranked brands in each percent change category are shaded green. Source for California registrations: AutoCount data from Experian Automotive. Source for U.S. data: Automotive News.

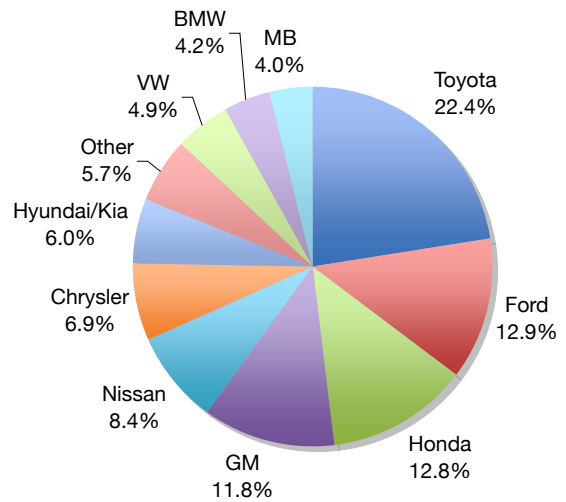
California New Car and Light Truck Registrations															
	June				Second Quarter 2009 and 2010				YTD thru June				YTD Market Share (%)		
	California			U.S.	California			U.S.	California			California			
	2009	2010	% chg.	% chg.	2009	2010	% chg.	% chg.	2009	2010	% chg.	% chg.	2009	2010	Chg.
MARKET SUMMARY															
TOTAL	76,043	123,892	62.9%	14.4%	257,031	323,762	26.0%	17.8%	490,861	603,910	23.0%	16.8%			
Cars	48,502	78,407	61.7%	9.6%	159,234	204,448	28.4%	14.3%	297,633	383,039	28.7%	16.5%	60.6	63.4	2.8
Light Trucks	27,541	45,485	65.2%	20.3%	97,797	119,314	22.0%	22.1%	193,228	220,871	14.3%	17.1%	39.4	36.6	-2.8
Domestic	23,789	43,577	83.2%	17.4%	79,541	106,046	33.3%	19.1%	143,868	187,178	30.1%	18.6%	29.3	31.0	1.7
Japanese	35,690	55,932	56.7%	8.7%	118,992	151,877	27.6%	15.5%	243,702	291,787	19.7%	14.2%	49.6	48.3	-1.3
European	11,542	16,960	46.9%	11.8%	40,190	44,881	11.7%	13.3%	75,905	88,887	17.1%	15.3%	15.5	14.7	-0.8
Korean	5,022	7,423	47.8%	28.3%	18,308	20,958	14.5%	26.9%	27,386	36,058	31.7%	20.9%	5.6	6.0	0.4
BRAND REGISTRATIONS															
Acura	908	1,568	72.7%	30.9%	3,284	4,218	28.4%	25.5%	6,820	7,777	14.0%	19.6%	1.4	1.3	-0.1
Audi	1,125	1,839	63.5%	14.3%	3,938	4,748	20.6%	23.1%	7,342	9,158	24.7%	28.0%	1.5	1.5	0.0
BMW	2,759	3,827	38.7%	14.6%	10,180	10,367	1.8%	6.8%	19,540	20,299	3.9%	7.6%	4.0	3.4	-0.6
Buick	306	1,197	291.2%	52.7%	1,192	2,082	74.7%	42.0%	2,049	3,810	85.9%	48.3%	0.4	0.6	0.2
Cadillac	657	1,205	83.4%	39.1%	2,141	3,458	61.5%	42.7%	4,037	5,935	47.0%	33.3%	0.8	1.0	0.2
Chevrolet	6,141	12,853	109.3%	33.3%	20,491	30,744	50.0%	27.4%	34,263	51,453	50.2%	31.6%	7.0	8.5	1.5
Chrysler	683	2,843	316.3%	30.1%	2,978	6,719	125.6%	39.8%	6,019	11,048	83.6%	21.1%	1.2	1.8	0.6
Dodge	1,705	6,179	262.4%	42.0%	7,497	13,839	84.6%	37.7%	14,703	21,990	49.6%	11.8%	3.0	3.6	0.6
Ford	10,348	14,354	38.7%	16.3%	32,113	36,356	13.2%	23.5%	56,608	68,021	20.2%	30.4%	11.5	11.3	-0.2
GMC	939	2,535	170.0%	50.2%	3,667	5,236	42.8%	32.3%	7,769	9,357	20.4%	31.2%	1.6	1.5	-0.1
Honda	9,067	14,054	55.0%	4.0%	32,282	39,074	21.0%	11.3%	58,666	69,711	18.8%	11.1%	12.0	11.5	-0.5
Hummer	44	15	-65.9%	-71.9%	154	41	-73.4%	-32.8%	393	85	-78.4%	-52.7%	0.1	0.0	-0.1
Hyundai	3,321	5,020	51.2%	35.0%	9,036	13,592	50.4%	32.6%	14,282	22,982	60.9%	25.0%	2.9	3.8	0.9
Infiniti	818	1,177	43.9%	31.7%	2,490	3,189	28.1%	33.1%	6,585	7,252	10.1%	23.0%	1.3	1.2	-0.1
Jaguar	189	260	37.6%	72.9%	872	579	-33.6%	2.7%	1,506	1,174	-22.0%	1.6%	0.3	0.2	-0.1
Jeep	850	1,428	68.0%	24.8%	3,260	4,214	29.3%	9.4%	6,597	8,332	26.3%	5.2%	1.3	1.4	0.1
Kia	1,701	2,403	41.3%	18.9%	9,272	7,366	-20.6%	18.9%	13,104	13,076	-0.2%	15.4%	2.7	2.2	-0.5
Land Rover	353	461	30.6%	43.9%	1,226	1,216	-0.8%	32.9%	2,539	2,459	-3.2%	24.2%	0.5	0.4	-0.1
Lexus	2,527	3,964	56.9%	2.7%	8,608	10,617	23.3%	20.7%	18,041	21,285	18.0%	19.3%	3.7	3.5	-0.2
Lincoln	639	467	-26.9%	-11.5%	1,790	1,736	-3.0%	-1.5%	3,039	3,483	14.6%	7.5%	0.6	0.6	0.0
Mazda	1,316	2,218	68.5%	32.8%	4,678	6,467	38.2%	28.3%	12,018	14,017	16.6%	15.3%	2.4	2.3	-0.1
Mercedes	2,997	4,354	45.3%	25.3%	10,094	11,954	18.4%	25.7%	19,764	23,470	18.8%	25.7%	4.0	3.9	-0.1
Mercury	249	482	93.6%	26.2%	934	1,568	67.9%	9.1%	2,046	2,911	42.3%	14.0%	0.4	0.5	0.1
MINI	625	970	55.2%	1.1%	2,140	2,578	20.5%	-1.2%	4,034	4,841	20.0%	0.3%	0.8	0.8	0.0
Mitsubishi	320	668	108.8%	-3.8%	1,107	1,508	36.2%	1.9%	2,660	3,578	34.5%	0.1%	0.5	0.6	0.1
Nissan	4,282	8,903	107.9%	8.2%	12,815	20,668	61.3%	21.4%	33,982	43,676	28.5%	27.1%	6.9	7.2	0.3
Pontiac	666	11	-98.3%	-99.5%	1,677	37	-97.8%	-99.3%	3,172	274	-91.4%	-99.0%	0.6	0.0	-0.6
Porsche	372	465	25.0%	137.4%	1,353	1,259	-6.9%	21.7%	2,315	2,440	5.4%	13.7%	0.5	0.4	-0.1
Saab	33	8	-75.8%	-72.3%	139	23	-83.5%	-75.3%	283	98	-65.4%	-75.0%	0.1	0.0	-0.1
Saturn	558	8	-98.6%	-98.2%	1,630	16	-99.0%	-97.6%	3,150	476	-84.9%	-84.9%	0.6	0.1	-0.5
smart	137	116	-15.3%	-48.3%	636	358	-43.7%	-46.2%	1,542	716	-53.6%	-60.9%	0.3	0.1	-0.2
Subaru	931	1,962	110.7%	16.0%	3,548	5,066	42.8%	32.2%	6,375	9,633	51.1%	35.0%	1.3	1.6	0.3
Suzuki	49	40	-18.4%	-5.3%	407	127	-68.8%	-19.1%	1,331	632	-52.5%	-48.5%	0.3	0.1	-0.2
Toyota/Scion	15,464	21,378	38.2%	7.4%	49,681	60,934	22.7%	11.1%	97,041	114,164	17.6%	8.6%	19.8	18.9	-0.9
Volkswagen	2,033	4,029	98.2%	10.6%	7,283	10,014	37.5%	23.4%	13,032	20,254	55.4%	29.9%	2.7	3.4	0.7
Volvo	837	529	-36.8%	-29.1%	2,004	1,424	-28.9%	-17.1%	3,343	3,325	-0.5%	-5.2%	0.7	0.6	-0.1
Other	94	102	8.5%	-7.9%	434	370	-14.7%	14.2%	871	718	-17.6%	10.5%	0.2	0.1	-0.1

BRAND SCOREBOARD

Manufacturer Market Share in California New Vehicle Market - YTD 2010 thru June

The pie chart on the right shows market share for each manufacturer in the California new vehicle market (includes fleet and retail transactions) during the first six months of 2010. Actual sales data is presented in the table on the preceding page. Below is a listing of brands for each manufacturer:

Brands included: Toyota (Toyota, Lexus, and Scion), GM (Buick, Cadillac, Chevrolet, GMC, Hummer, Pontiac, Saturn, and Saab), Honda (Honda and Acura), Ford (Ford, Lincoln, Mercury, and Volvo), Nissan (Nissan and Infiniti), Chrysler (Chrysler, Dodge, and Jeep), BMW (BMW, Rolls Royce, and Mini), MB (Mercedes Benz and smart), VW (Audi, Bentley, and Volkswagen), Other (all other brands).



RETAIL MARKET RECAP

Statewide Retail New Vehicle Market Improves at Slower Pace than Overall Market

The table below summarizes new retail light vehicle market results during the first six months of 2009 and 2010. (Note: the information presented includes retail registrations only, and excludes fleet transactions.) The state's retail market improved 18.6 percent in the first

half of this year. Stronger fleet sales led the overall market to a 23 percent increase during the same time period.

The Northern California retail market increased 21.2 percent, higher than the 17.4 percent increase in Southern California. The San Fran-

cisco Bay regional market improved 26.2 percent, while Los Angeles and Orange counties were up a combined 16.5 percent. Car registrations increased more than light trucks in all regions.

Source: AutoCount data from Experian

NEW RETAIL LIGHT VEHICLE REGISTRATIONS (excluding fleets) - YTD thru June							
Northern and Southern California				Selected Regional Markets			
	2009	2010	Percent Change		2009	2010	Percent Change
Statewide Total	372,455	441,670	18.6%	San Francisco Bay	68,417	86,373	26.2%
Cars	218,913	268,153	22.5%	Cars	41,058	53,154	29.5%
Light Trucks	153,542	173,517	13.0%	Light Trucks	27,359	33,219	21.4%
Northern California	119,090	144,332	21.2%	LA and Orange Counties	156,384	182,222	16.5%
Cars	66,415	83,805	26.2%	Cars	97,846	116,296	18.9%
Light Trucks	52,675	60,527	14.9%	Light Trucks	58,538	65,926	12.6%
Southern California	253,365	297,338	17.4%	San Diego County	33,906	42,502	25.4%
Cars	152,498	184,348	20.9%	Cars	19,514	25,458	30.5%
Light Trucks	100,867	112,990	12.0%	Light Trucks	14,392	17,044	18.4%

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