

# Hawaii Auto Outlook <sup>TM</sup>

Comprehensive Information on the Hawaii Automotive Market

First Quarter, 2005

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## New Retail Vehicle Registrations in Hawaii Approached 66,000 Units in '04

It's definitely important to keep abreast of developments in the U.S. market, but in most cases, National trends are not reflective of what's occurring in Hawaii. That's where Auto Outlook comes in. On a regular basis, we keep you informed of current events, and forecast projections for the state's new vehicle market. Following is a comprehensive characterization and evaluation of the Hawaii new retail light vehicle market.

**Hawaii market had excellent year in 2004; easily out-performs Nation.** Hawaii new retail vehicle registrations increased by an impressive 5.1% from 2003 to 2004, with the statewide total exceeding 65,800 units. National registrations increased by less than 1%.

**State's new retail light vehicle market predicted to decline slightly in 2005.** Auto Outlook is predicting that

new retail light vehicle registrations in Hawaii will decline 2.3% for all of this year versus 2004. Despite the predicted decline, registrations should still exceed 60,000 units.

**Light trucks gain share in both the Hawaii and U.S. markets.** Light truck share of the state car and light truck retail market increased 2.9 market share points last year, higher than the 1.2 point increase in the U.S. Nationally, light trucks accounted for 57.7% of the overall retail market, below the 59.5% share in Hawaii.

**Domestic brand market share declined again last year in both the Hawaii and U.S. markets.** Big Three market share in the state declined 1.7 share points from 2003 to 2004 to 29.2%. Domestic brands had a 53.5% share in the Nation, down 2.3 points from 2003.

**Toyota Camry best selling Standard Mid Size Car in Hawaii; 4Runner ranks strong second among Mid Size SUVs.** Toyota Camry was at the top of the list among Standard Mid Size Cars in Hawaii last year, while Honda Accord led in the U.S. Toyota 4Runner ranked a strong second behind the Ford Explorer in the Mid Size SUV segment. (4Runner ranked seventh in the U.S.).

**Hawaii economy gains strength during 2004.** The unemployment rate in Hawaii stood at 3.1% during the Fourth Quarter of 2004, down two points from a year earlier and well below the 5.1% rate in the U.S. Total employment in the state increased an impressive 2.5%, considerably above the increase in the Nation. Increasing employment levels is obviously very good news for the Hawaii economy.

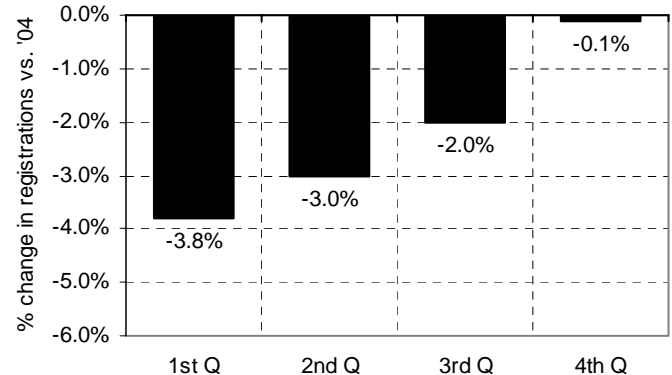
## The Hawaii New Retail Light Vehicle Market — At a Glance

Summary 1. Top Ten Scoreboard

THIRD QUARTER, 2004			FOURTH QUARTER, 2004			Change in mkt. share
Rank	Make	Market Share	Rank	Make	Market Share	
1	Toyota	22.3%	1	Toyota	22.3%	0.0%
2	Nissan	12.1%	2	Honda	11.7%	-0.1%
3	Honda	11.8%	3	Nissan	10.9%	-1.2%
4	Ford	10.6%	4	Ford	8.5%	-2.1%
5	Chevrolet	6.2%	5	Chevrolet	6.8%	0.6%
6	Dodge	5.2%	6	Dodge	4.8%	-0.4%
7	Mazda	4.5%	7	Mazda	3.8%	-0.7%
8	BMW	2.3%	8	Scion	2.9%	1.6%
9	Mercedes	2.1%	9	Lexus	2.4%	0.5%
10	Lexus	1.9%	10	Mercedes	2.4%	0.3%

The three summaries provide an overview of the Hawaii new retail light vehicle market. The table above shows the **Top Ten** sellers in the state during the Third and Fourth Quarters of last year, and the change in market share for each brand. **Quarterly Results** presents the predicted change in registrations during each quarter of this year versus 2004. The **Annual Review** table on the right shows our forecast for 2005, and actual figures for 2003 and 2004. Detailed forecasts for all brands are on page 4. Source for historical data: The Polk Company

Summary 2. Quarterly Results



Summary 3. Annual Review and Forecast

	2003	2004	Forecast 2005	% ch. '04 to '05
	TOTAL	62,712	65,882	64,363
Car	27,230	26,695	25,102	-6.0%
Light Truck	35,482	39,187	39,261	0.2%
Big Three	19,407	19,249	18,183	-5.5%
Japanese	35,912	38,783	38,554	-0.6%
European	5,874	5,793	5,524	-4.6%
Korean	1,519	2,057	2,102	2.2%