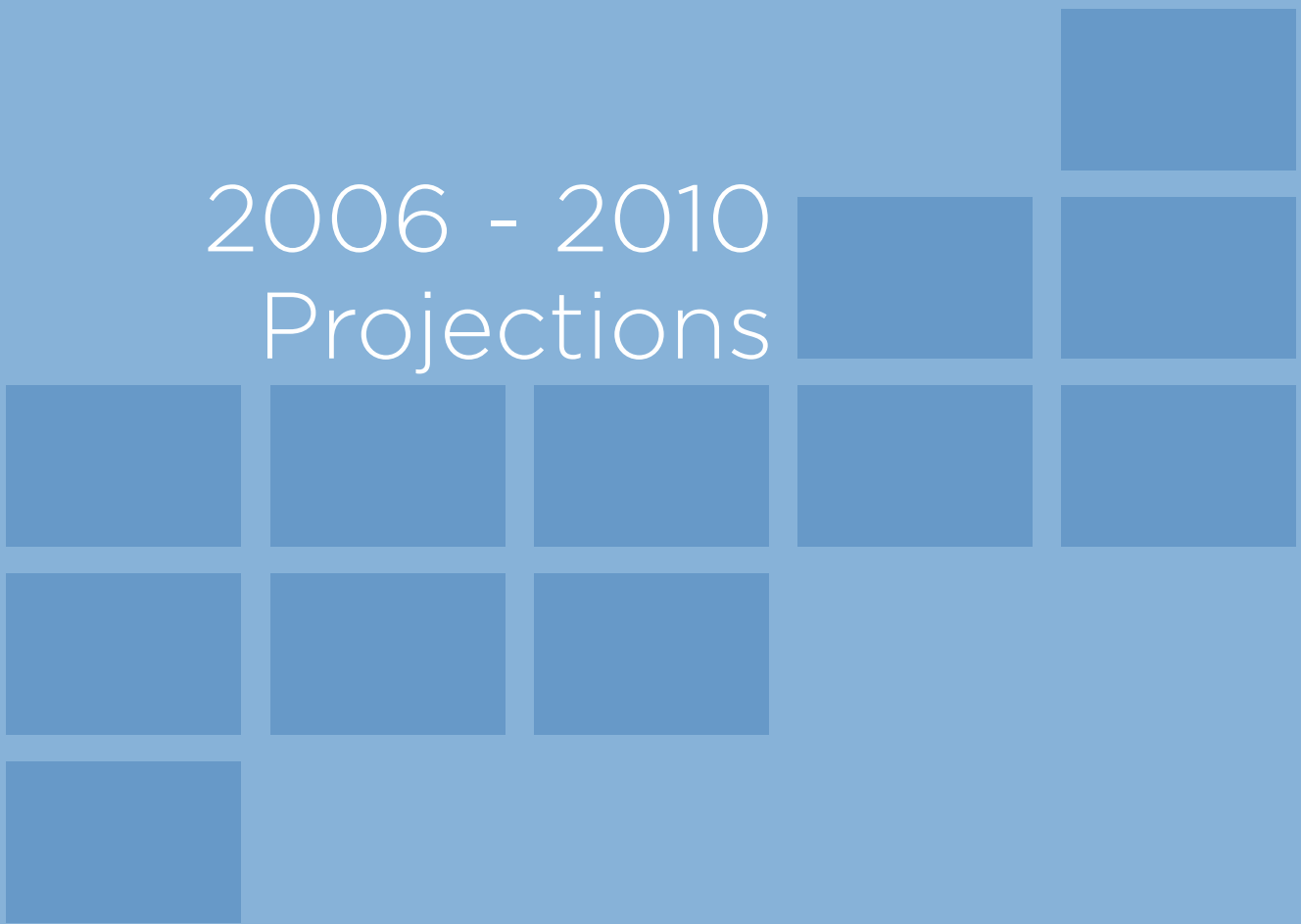


2006 - 2010 Projections





This section presents ADESA Analytical Services' projections of VIO, used vehicle sales, and auction volumes based on the "demographics" of the vehicle population over the next five years. In other words, new vehicles will be added to the vehicle stock (or "parc"), others will be retired either prematurely due to accident or naturally from long-term use, and the vehicles remaining in operation will age. Used vehicle sales are projected using the varying likelihood, based on vehicle age, of an ownership change/used vehicle transaction ("parc turn rates"). Auction sales are projected based on the varying likelihood, again based on vehicle age, that the vehicle involved in a used vehicle transaction was sourced at auction. The allocation of used vehicle sales among franchised dealers, independent dealers, and private individuals is also based on vehicle age, as is the allocation of auction volumes among manufacturers, fleet and leasing companies, and dealers. Figures 50-58 summarize this approach.

Projected U.S. Vehicle in Operation - By Vehicle Age

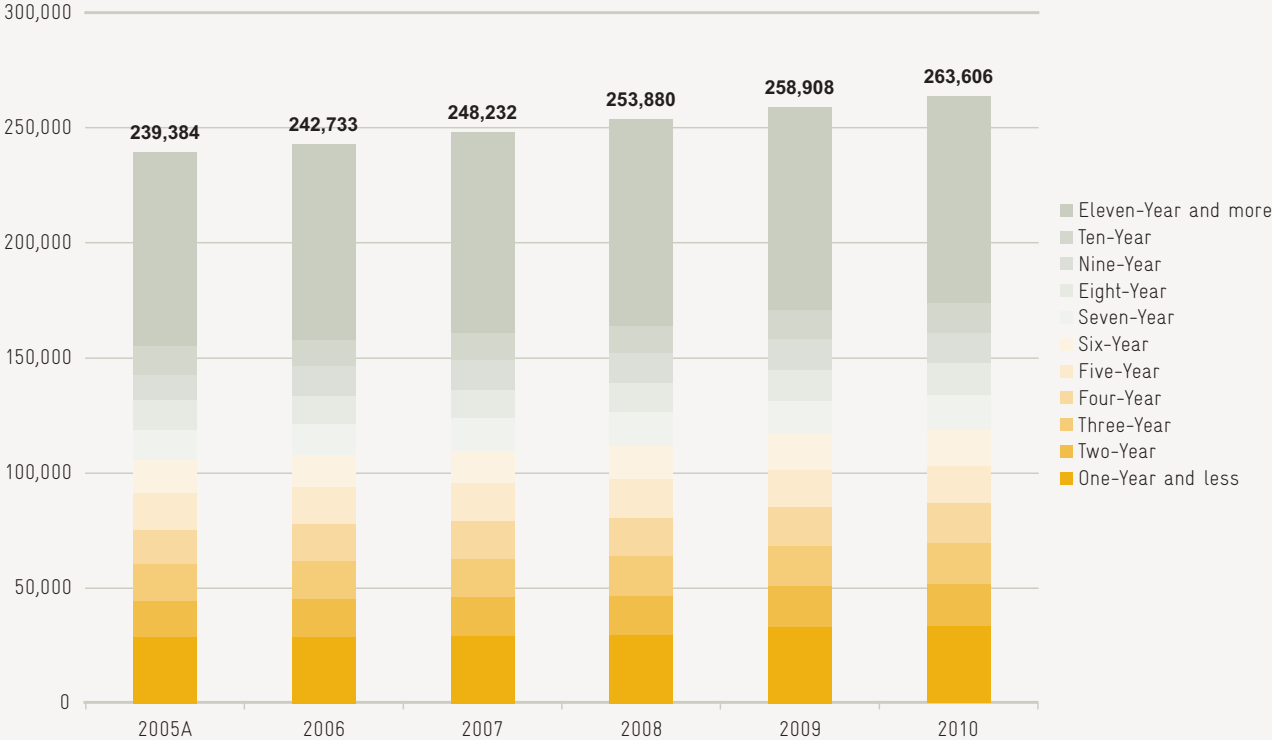


Figure 50. Source: ADESA Analytical Services.

PROJECTIONS

Average Parc Turn Rates - 2000 - 2004

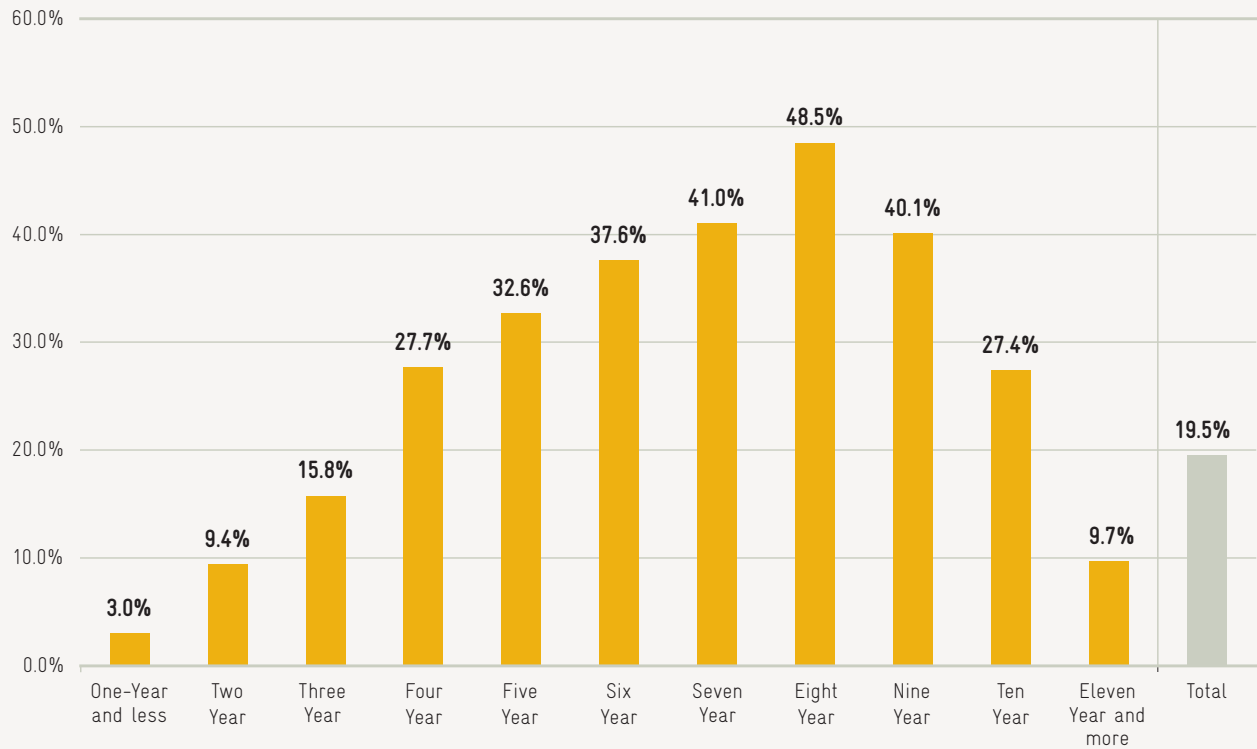


Figure 51. Source: ADESA Analytical Services based on data from R.L. Polk & Co. and CNW Marketing/Research.

Projected Used Vehicle Sales Volumes -By Vehicle Age

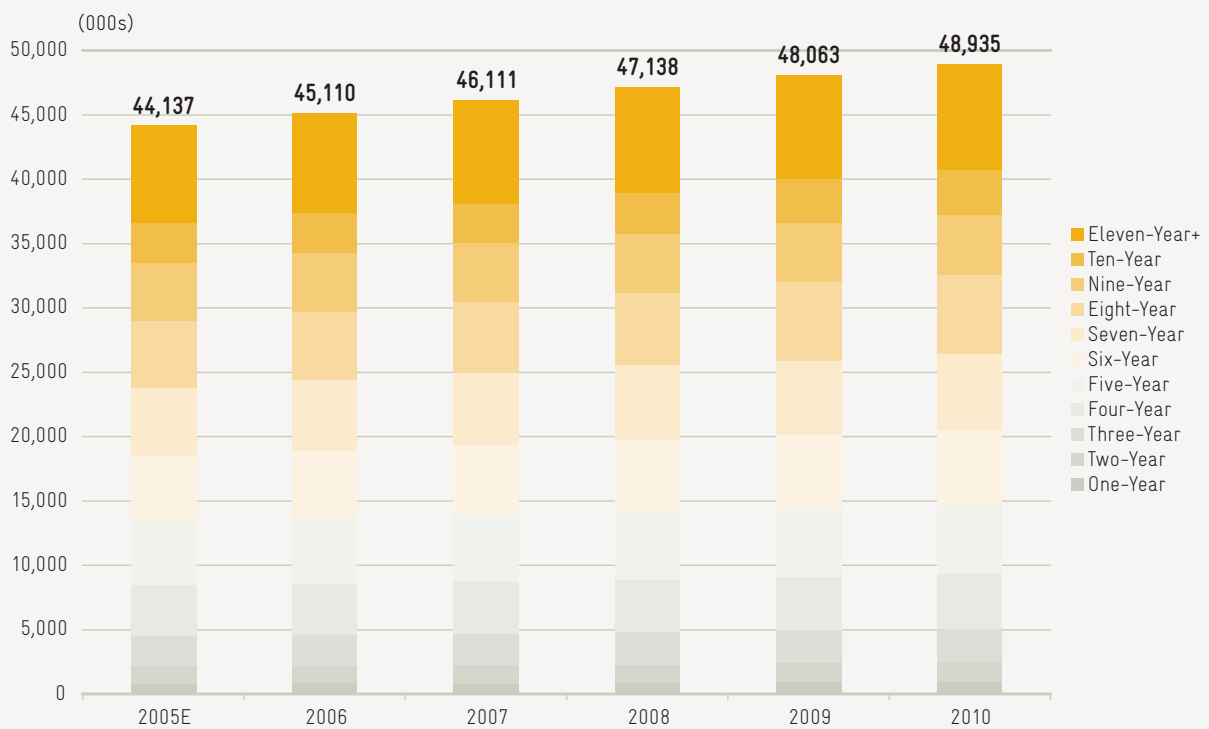


Figure 52. Source: ADESA Analytical Services.

Age of Used Vehicles Sold in 2004 by Seller Type

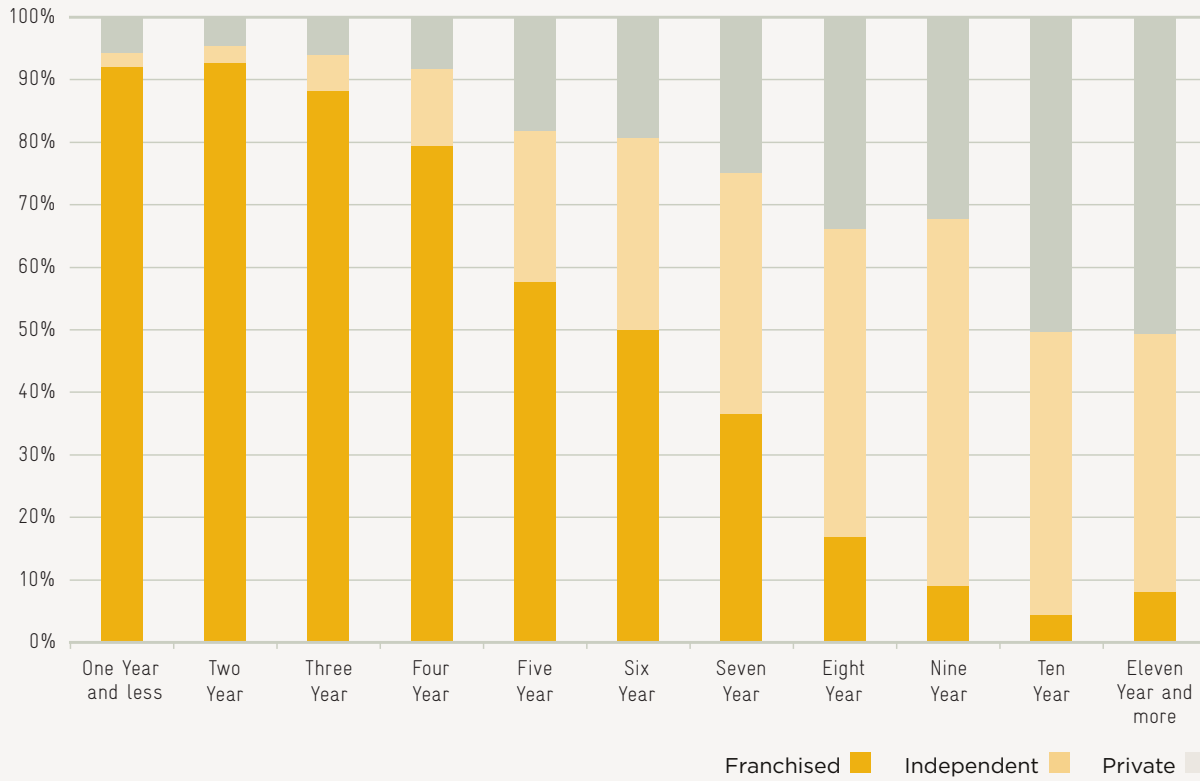


Figure 53. Source: CNW Marketing/Research and ADESA Analytical Services.

Projected U.S. Used Vehicle Sales Volumes by Seller Type

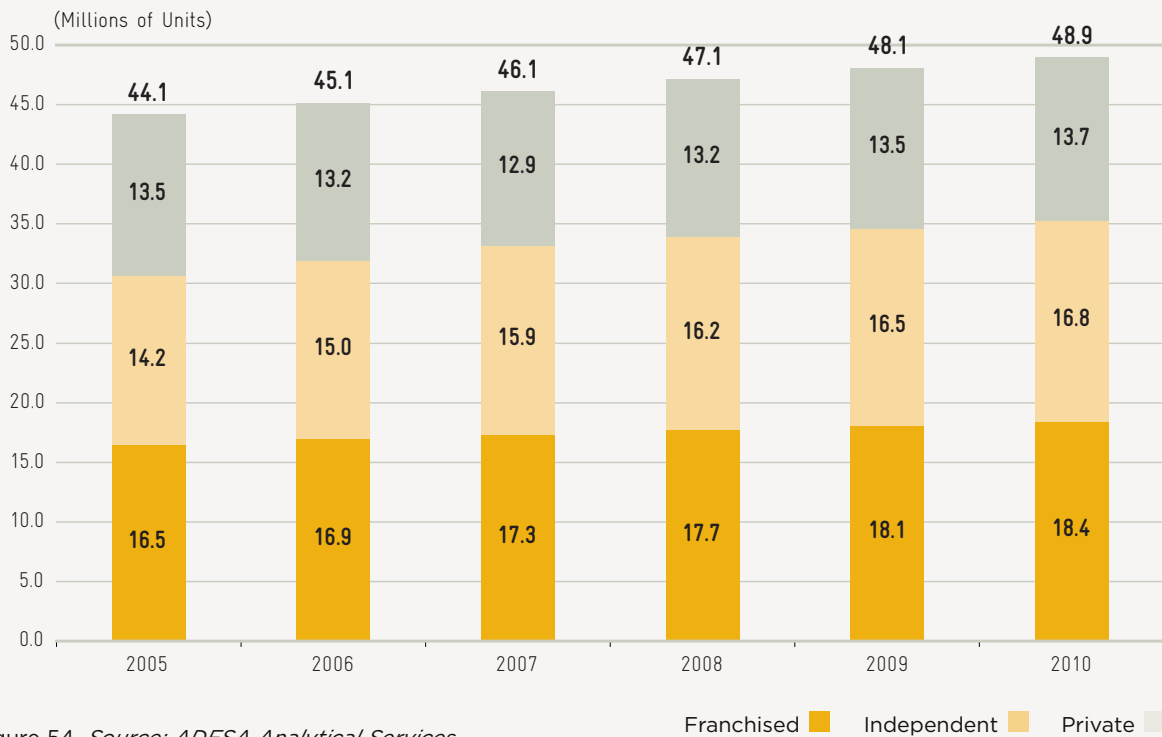


Figure 54. Source: ADESA Analytical Services.

Percent of 2004 Used Vehicle Sales Sourced at Auction

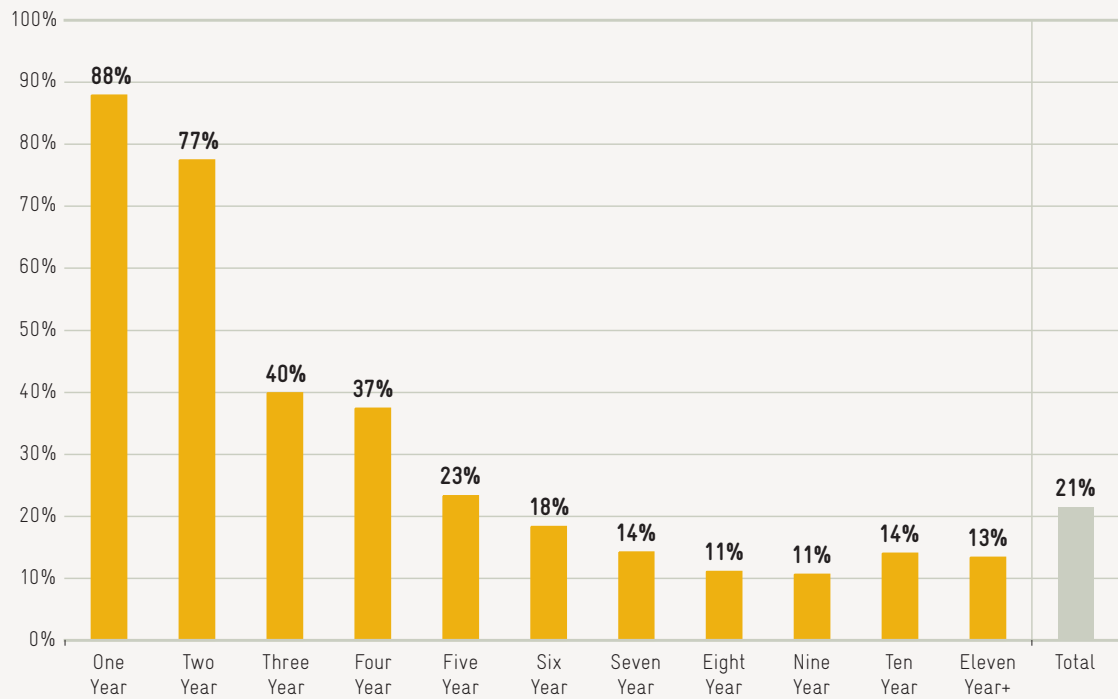


Figure 55. Source: ADESA Analytical Services.

Projected US Auction Sales Volumes - By Vehicle Age

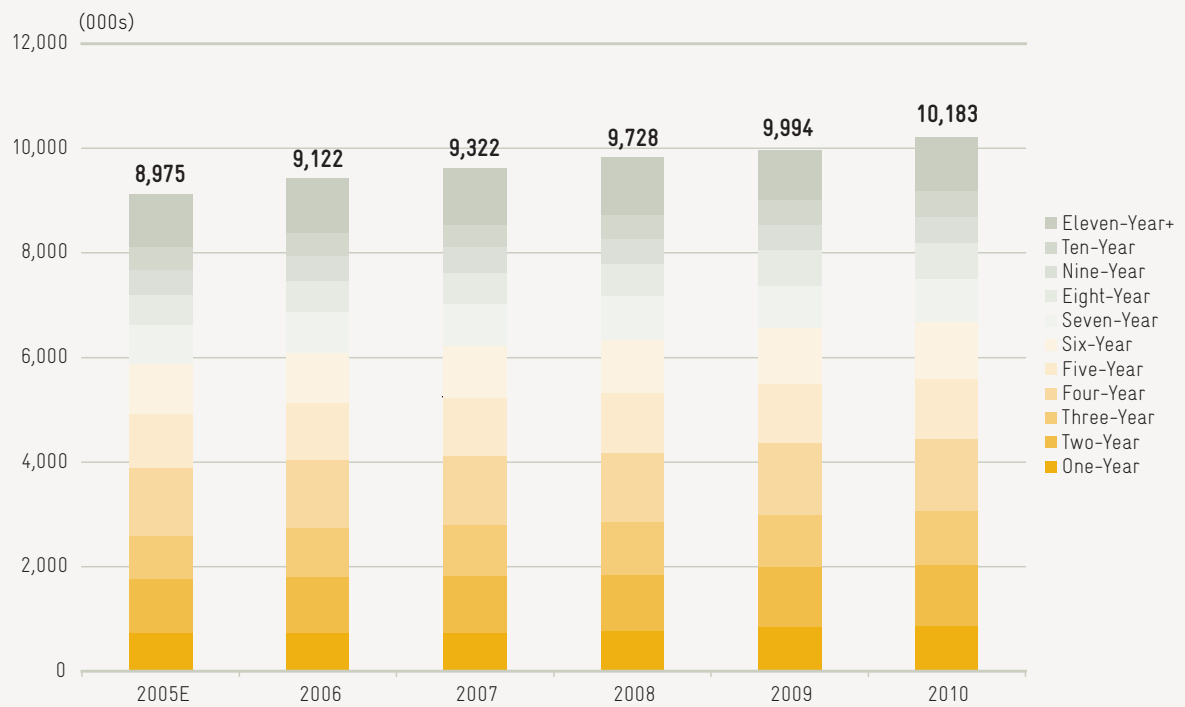


Figure 56. Source: ADESA Analytical Services.

U.S. and Canada Auction Sales Volumes

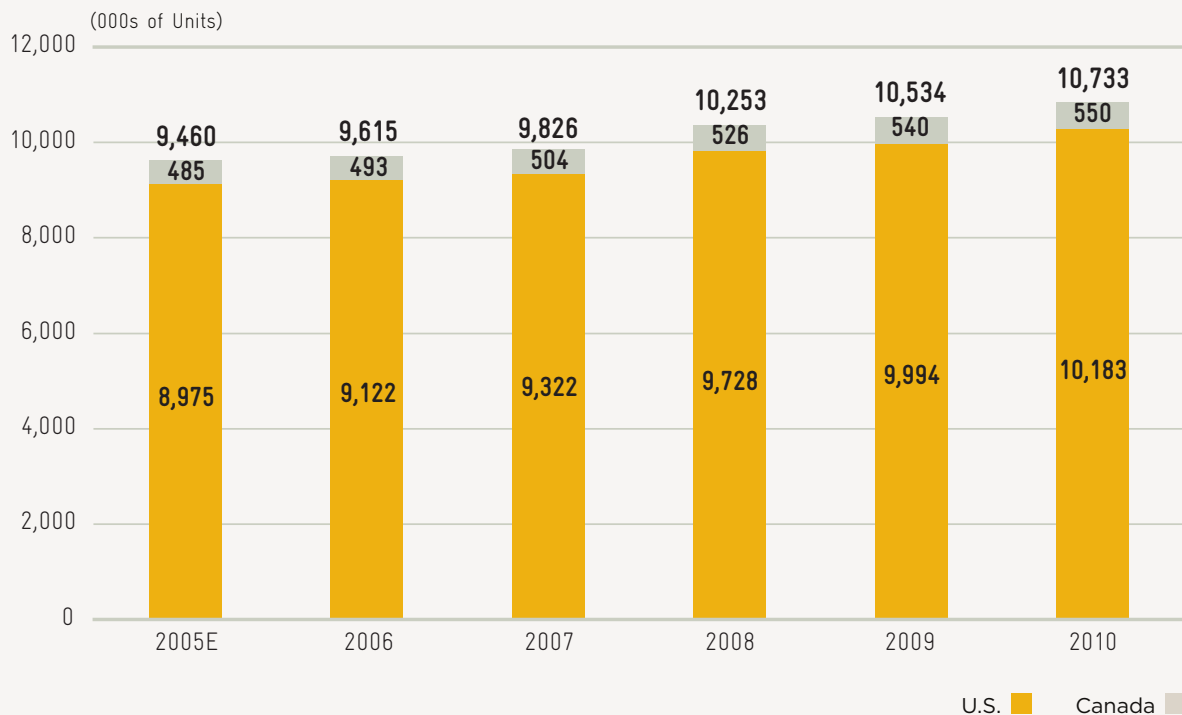


Figure 57. Source: ADESA Analytical Services.

U.S. and Canada Auction Sales Volumes by Source

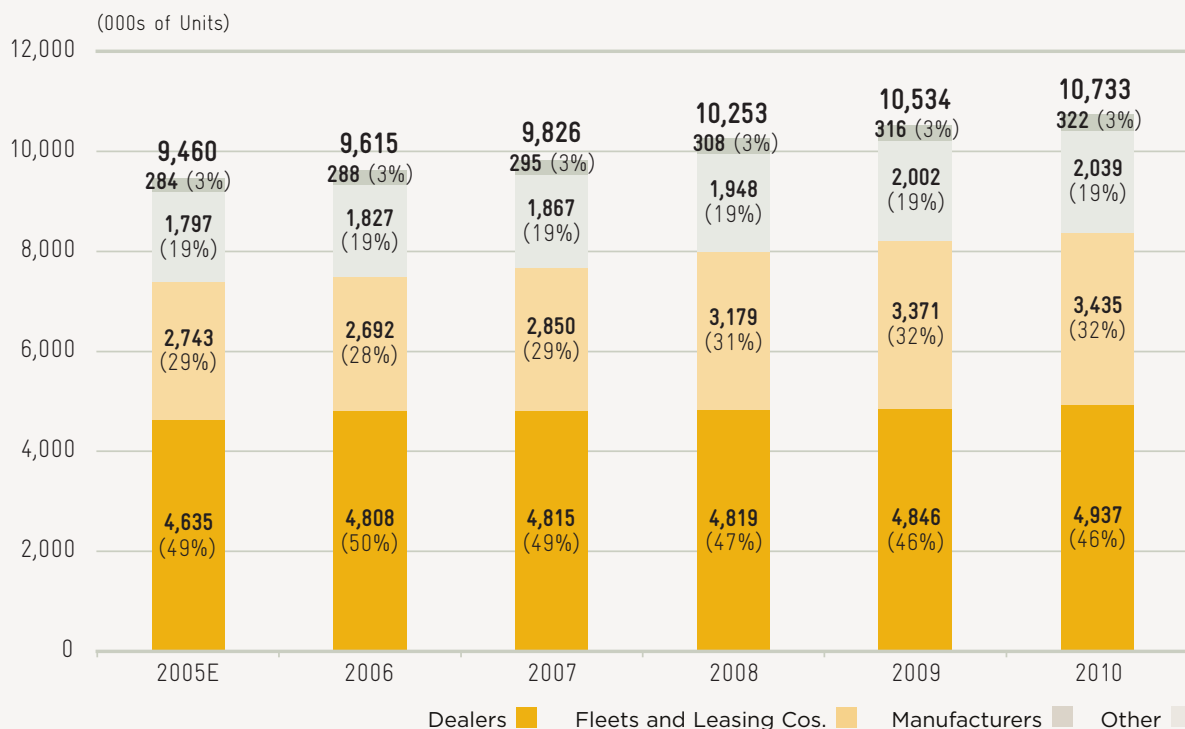


Figure 58. Source: ADESA Analytical Services.

As this section shows, VIO, used vehicle sales, and auction volumes should continue generally to grow in tandem, at growth rates approximating 2%. Strong dealer consignment volumes and the recovery of off-lease volumes beginning in 2007 should enhance this prospect.