



AutoChina

Committed to **Powering** Your Success

Investor Presentation

May 2012

Forward Looking Statement



This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 about the Company. Forward-looking statements are statements that are not historical facts. Such forward-looking statements, based upon the current beliefs and expectations of the Company's management, are subject to risks and uncertainties, which could cause actual results to differ from the forward-looking statements. The following factors, among others, could cause actual results to meaningfully differ from those set forth in the forward-looking statements:

- Continued compliance with government regulations
- Changing legislation or regulatory environments
- Requirements or changes affecting the businesses in which the Company is engaged
- Industry trends, including factors affecting supply and demand
- Labor and personnel relations
- Credit risks affecting the Company's revenue and profitability
- Changes in the “commercial vehicle” or “heavy truck” industry
- The Company’s ability to effectively manage its growth, including implementing effective controls and procedures and attracting and retaining key management and personnel
- Changing interpretations of generally accepted accounting principles
- Whether the transaction to sell the automobile dealership business is consummated
- General economic conditions
- Other relevant risks detailed in the Company’s filings with the Securities and Exchange Commission

The information set forth herein should be read in light of such risks. The Company does not assume any obligation to update the information contained in this presentation.



- AutoChina is China's leading specialty finance provider in the commercial transportation industry.
- The Company is China's largest one-stop commercial vehicle sales, service, leasing, and support network.



AutoChina At-A-Glance

| | |
|---------------------------|---|
| Ticker | AUTCF.OB |
| Recent Stock Price | \$21.20 (as of 5/25/2012) |
| Market Cap | \$500.6 million (as of 5/25/2012) |
| Shares Outstanding | 23.6 million |
| Book Value | \$12.43 |
| Industry/Business | Specialty finance for the commercial vehicle industry |
| Headquarters | Shijiazhuang, Hebei, China |

All information as of 3/31/2012 unless otherwise noted.

Vertically Integrated Specialty Finance Focused on Transportation Industry



New Vehicle Financing

Used Commercial Vehicle Sale-Leaseback

Optional Value-Added Services
(e.g., financing for tires, insurance, or diesel)



Administrative Services
(registration, licensing, permitting, insurance)

GPS Monitoring

Store Support Network

Insurance Agency
(e.g., CV, homeowners, business property, life)





Leading Position in China's Growing Commercial Transportation Market

- Since launching its commercial vehicles sales and leasing business in March 2008, AutoChina has leased over 33,000 trucks. The Company is the leading specialty finance provider in China's transportation industry.
- Geographically extensive network of 512 store branches, as of March 31, 2012
- Offers a range of services to its customers, from heavy truck sales to diesel and insurance financing and on-the-road support

Profitable and Scalable Business Model

- Acting as a partner to individuals and small business owners by providing access to affordable commercial vehicle ownership, enabling them to transport their high-demand goods all over the vast and rapidly developing Chinese countryside and grow their businesses
- Focused on better serving customers by becoming a vertically integrated specialty finance provider in the commercial transportation market
- Growth is primarily driven by new branch openings – standardized across network
- Effective risk management procedures, e.g. comprehensive applicant screening, GPS monitoring on all vehicles



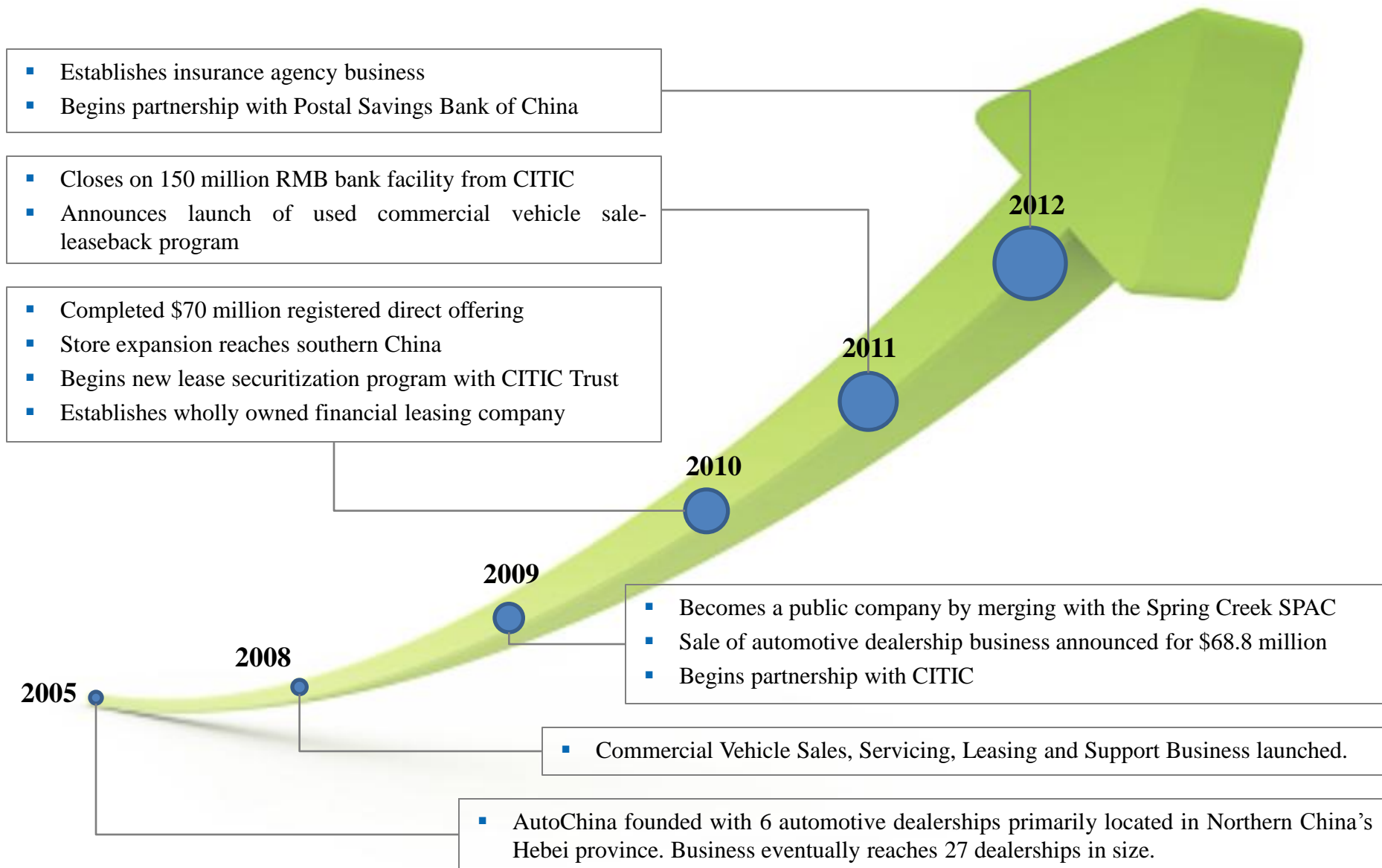
Solid Financials

- Sales of \$103.1 million for the three months ended 3/31/2012, compared to \$136.2 million in the prior-year period.
- Net income of \$8.0 million, or \$0.34 per diluted share, in the three-month period, compared to a net loss of \$27.4 million in the prior-year period
- \$35.4 million in cash at 3/31/2012

Experienced/Aligned Leadership

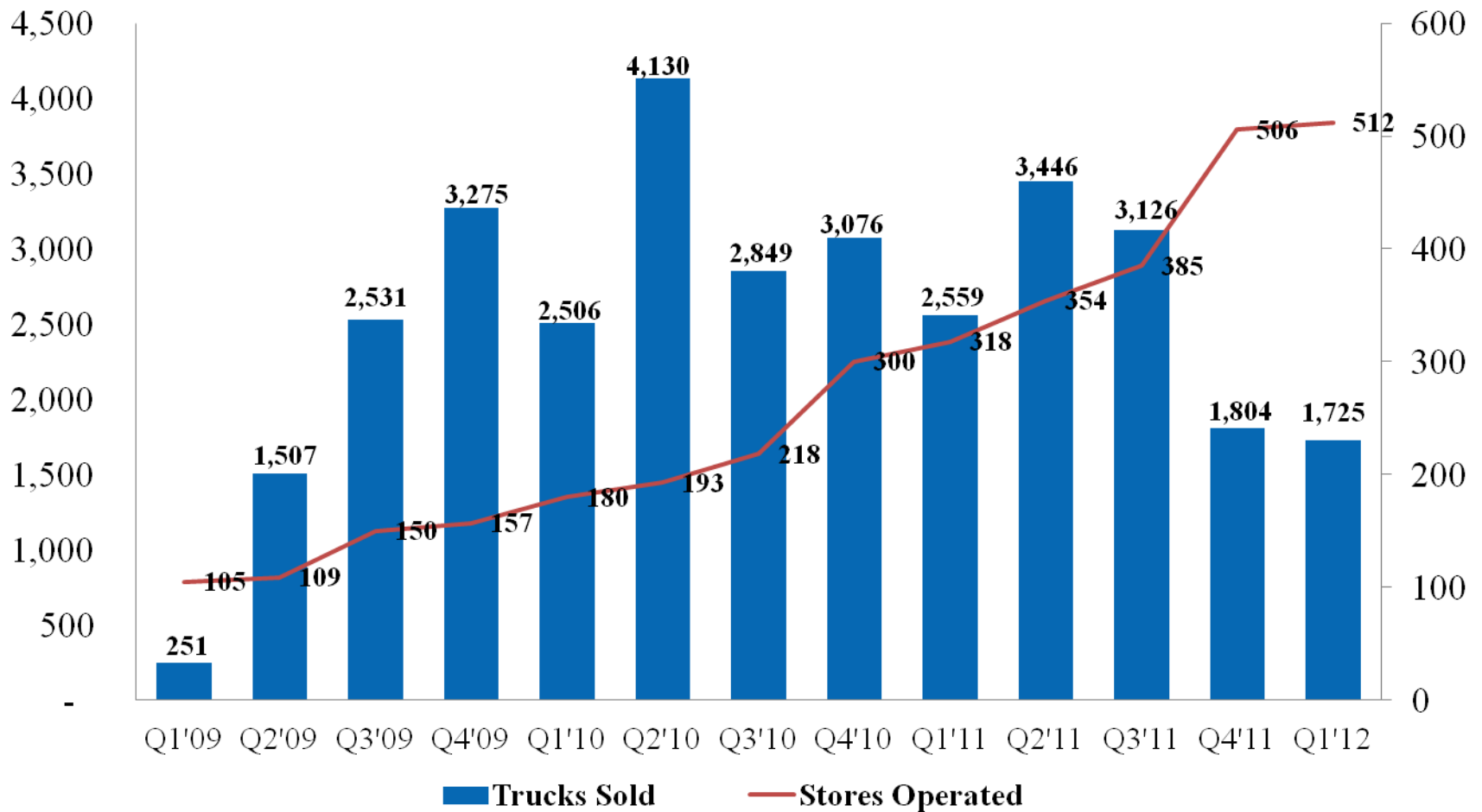
- Mr. Yong Hui Li (Chairman, CEO, and founder) owns 66% of AutoChina
- Entrepreneur with numerous accomplishments
- Experienced management team with a strong track record of growth and profitability

Corporate History





AutoChina has sold over 33,000 trucks since inception.

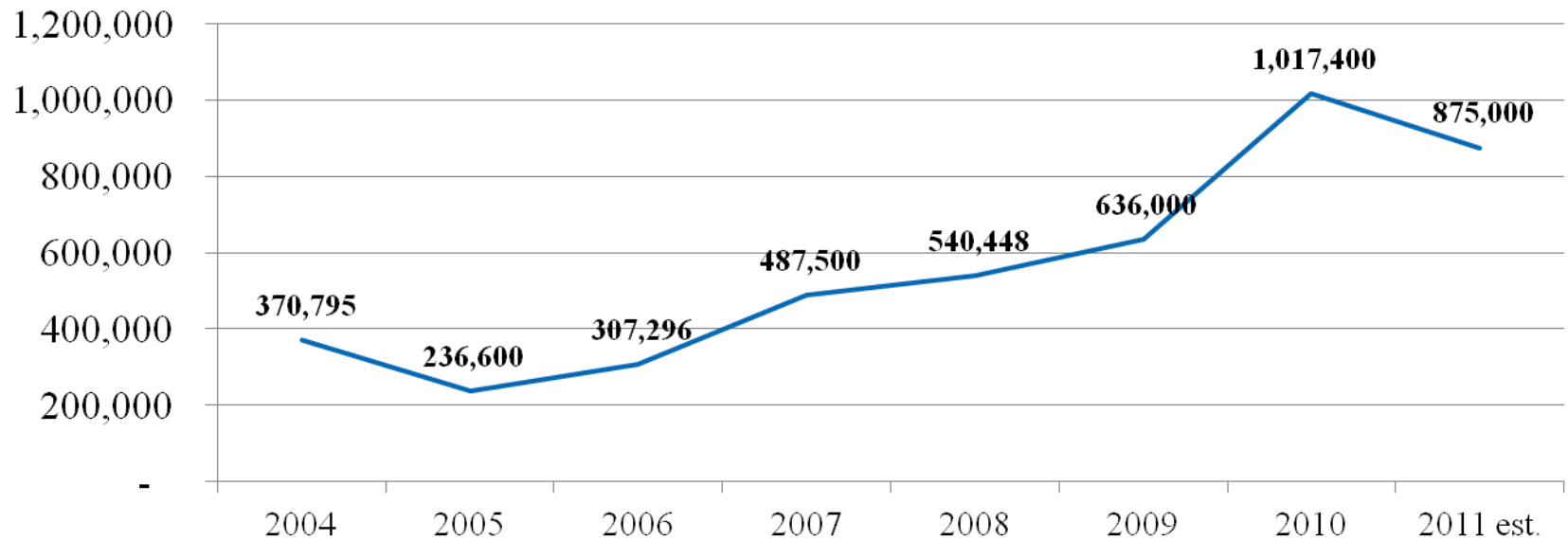




THE MARKET OPPORTUNITY



Heavy Truck Sales in China



Source: ACT Research, China Automotive Review, CICC, CAAM

- China is the largest market for heavy trucks in the world
 - ~7x the size of the U.S. market and ~4x the size of the European market
 - Demand for cargo-transporting vehicles/semi- and full-trailer trucks
 - Huge downstream demand, increasing domestic consumption
- Robust growth from 2009-2010 was followed by normalization of demand in 2011, stable growth expected as China's economic development continues



- In China, individuals and small business owners have limited access to capital due to more stringent bank capital requirements and lack of defined credit rating systems
 - Only large corporates or well-connected, wealthy individuals are able to acquire loans from banks
 - Need for an alternative method of obtaining capital for average individual or small business to sustain their livelihoods and support their families





AUTOCHINA'S BUSINESS MODEL

Providing *Vertically Integrated Specialty Finance* Services



1. New Vehicle Financing

- Accessible and affordable vehicle ownership for owners and owner-operators
- 26-month lease-to-own structure
- Bundled with value-added services



2. Used Commercial Vehicle Sale-Leaseback

- Program available to former and new customers
- Allows them to generate funding quickly and pay sale-leaseback over time
- Access to value-added services

3. Administrative Services

- Registration, licensing, permitting, insurance

4. Optional Value-Added Services

- Financing for tires, insurance, or diesel

5. GPS Monitoring

- Assurance that your vehicle can be located at any time

6. Store Support Network

- Access to an extensive store network for any customer needs (e.g., road-side assistance)

7. Insurance Agency

- Insurance for commercial vehicles, homeowners, business property, life, etc.





- AutoChina's focus is on Class 8 heavy trucks
 - Gross Vehicle Weight Rating of greater than 33,000 lbs. (15 tonnes)
 - Short replacement cycle: useful life of heavy trucks in China approx. 3-4 years
- Heavy truck financing is a highly fragmented market — opportunity for AutoChina to establish itself as a market leader
- Customer base predominantly entrepreneurs that carry wide variety of goods
 - Freight, agricultural products, raw materials

Compelling Core Assets

- Industry agnostic
- Average cost of truck: \$45,500
- AutoChina's estimated ROI: \$7,700



AutoChina empowers individuals and small business owners to “be their own boss” by offering affordable financing and support options.



1. Sales & Marketing

- Word of mouth
- Local presence, grass-roots marketing
 - Fliers
 - Playing cards

2. Thorough Screening & Approval Process

- Local service center conducts initial screening of new customer. If successful, formal application is made.
- Corporate HQ must give final approval for all new customers.
 - Approximately 50% of formal applicants are rejected

3. Considerable Down Payment

- Minimum initial payment from first-time customers is 25% → customer has a significant vested interest
- AutoChina holds no inventory, is make- and model-agnostic—trucks purchased only after customers make down payment

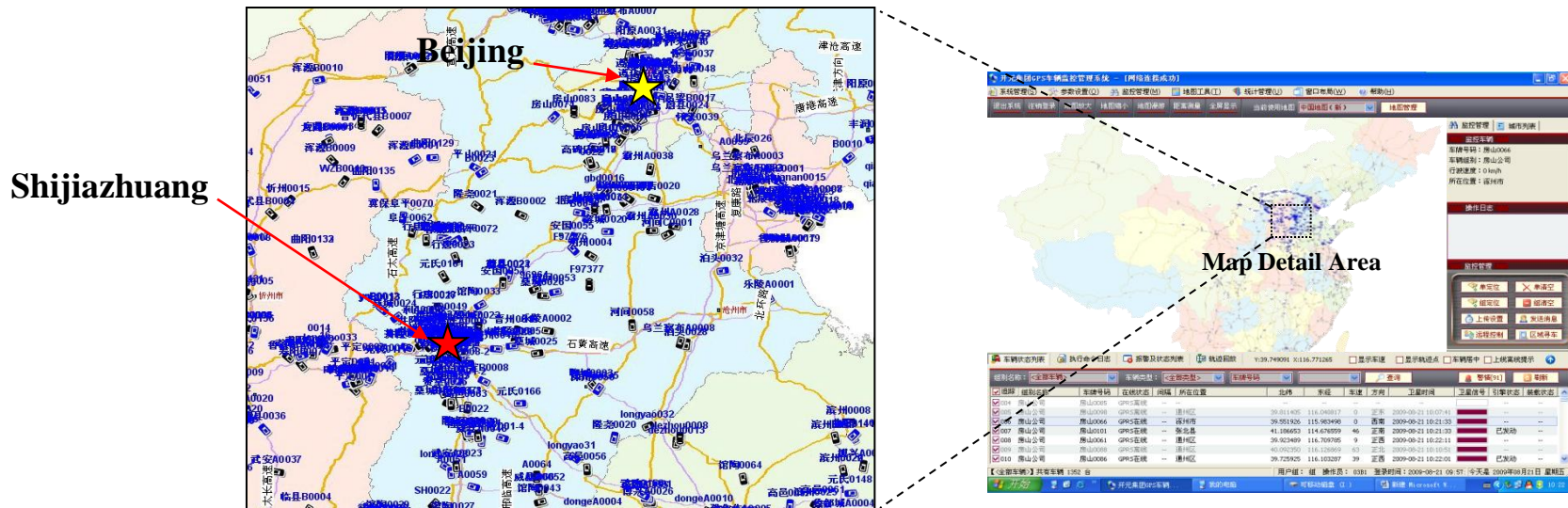
4. Affordable Lease Payment

- 26-month lease-to-own structure
- Customers generally realize over 20% profit margin per vehicle
- Value-added services are bundled



Since inception through Q1 2012 (33,739 leases), just 453 defaults

- In addition to strict screening and credit evaluation procedures, the location of each AutoChina vehicle is monitored using an advanced GPS system (shown below)
 - AutoChina customers log an average of 90,000 miles per year
- Since AutoChina is the legally registered owner of the vehicle during the lease, vehicles can easily be found and repossessed if there is a problem






Extensive Geographic Network & Proximity to the Customer



全国连锁机构分布图



Legend

-  Operating branch
-  Provincial branch
-  Branch under development

- Nationwide network of 512 commercial vehicle financing and service centers (as of 3/31/2012) covers 26 provinces and province-level regions
- Company-owned, standardized, and report to centralized HQ
- Located in rural areas close to AutoChina's customers
- Inexpensive to open, hold no inventory
- No competitor with comparable network in China
- Goal: Cover China by end of 2013





- Assurance and peace of mind that come with working with a reputable and recognized specialty finance company
- Convenience of a one-stop commercial vehicle sales, service, leasing, and support network
- Extensive network of financing and service centers across China
- Quality, personable customer service
- Optional value-added services



■ CITIC Trust Co. Ltd.

- Lease securitization program: up to 60 million RMB of AutoChina’s commercial truck leases securitized and sold to investors through CITIC each month
- CITIC Trust acts as an intermediary for the Company’s leases



■ Postal Savings Bank of China (“PSBC”)

- AutoChina to provide guarantees for qualified customers so they can get credit cards from PSBC; AutoChina charges service fee based on percentage of the amount it guarantees for its customers
- AutoChina customers can make payments to the Company directly at any of PSBC’s 36,000 branches

New Insurance Agency

- Leveraging existing store network, AutoChina established an insurance agency company in November 2011
- Company intends to broker insurance products from wide variety of carriers to existing and new customers
- Plans to offer commercial vehicle insurance, as well as wide range of other insurance products such as business property insurance, homeowners insurance, and life insurance
- AutoChina has signed agreements with four major insurance companies to sell insurance:
 - China United Property Insurance Company Limited
 - Sinosafe General Insurance Co. Ltd. (Hua An Insurance)
 - Ping An Insurance (Group) Company of China, Ltd.
 - China Life Property and Casualty Insurance Company Limited
- Company is actively seeking additional partnerships and securing additional regulatory licenses



- Short-term loan borrowings of \$127.1 million at 3/31/2012:
 - \$120.0 million in loans from various Chinese banks, such as CITIC, Hua Xia Bank, ICBC



- \$7.1 million in lease securitization borrowings
- Long-term borrowings of \$44.5 million
- Short-term borrowings have blended interest rate of 7.84% per annum
- Long-term borrowings have blended interest rate of 7.32% per annum



Yong Hui Li

*Founder, Chairman, and
CEO*

- Born in 1962 and graduated from Tianjin University
- Highly accomplished entrepreneur—founder and Chairman of Kaiyuan Group (1994), the parent company consisting of Mr. Li's holdings in real estate, transportation, and other industries. Founded the first lease-to-buy sales company in Chinese auto industry

Jason Wang

CFO

- Possesses over 10 years of experience in finance, capital markets and working with growth companies
- Received MBA from the UCLA Anderson School of Management and Bachelor's degrees from both the Wharton School and the School of Engineering and Applied Science at the University of Pennsylvania
- Prior to joining AUTC, served as Director of Research and Analytics at Private Equity Management Group, and also previously worked at QUALCOMM Inc. (NASDAQ: QCOM), where he worked in the venture capital group

Xing Wei

COO

- COO of AutoChina since September 2008
- Former COO of Kaiyuan Real Estate Development Co. and has worked with Mr. Li since 1996
- Received Bachelor's degree in Engineering from Hebei Building Engineering University and Bachelor's degree in Economics from Hebei University



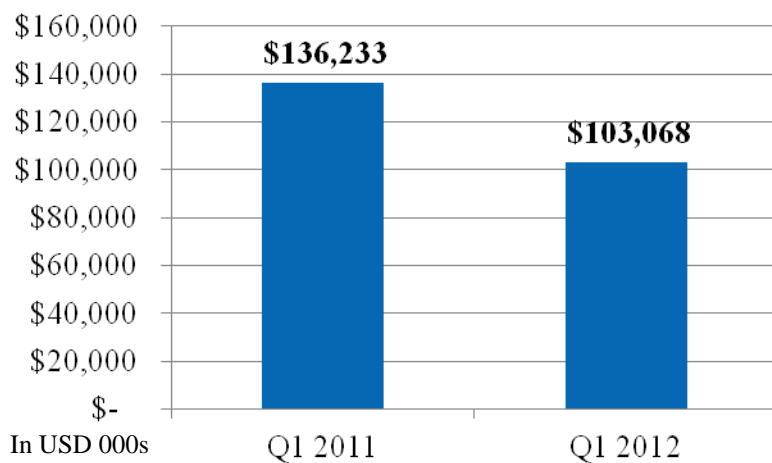
FINANCIALS

Summary Financial Results – First Quarter 2012

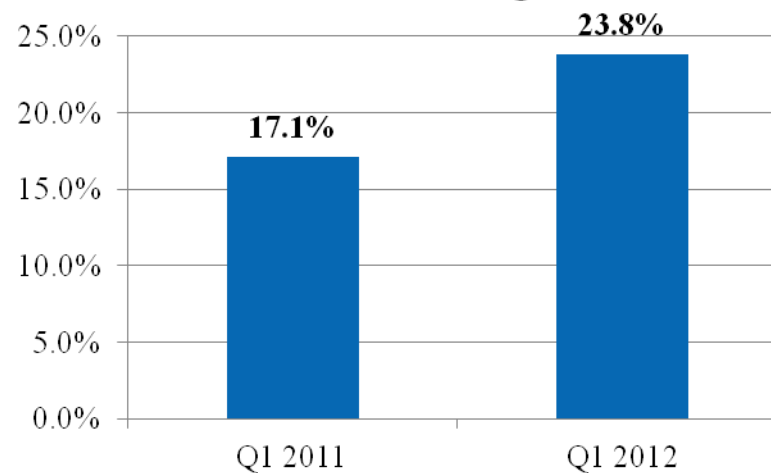


| In USD thousands, excluding EPS | Q1 2012 (unaudited) | Q1 2011 (unaudited) |
|--|------------------------|------------------------|
| Total Revenues | \$103,068 | \$136,233 |
| Gross Profit | \$24,524 | \$23,234 |
| Income from Operations | \$10,772 | \$13,793 |
| Net Income (Loss) | \$8,036 | (\$27,377) |
| Earnings (Loss) per diluted share | \$0.34 | (\$1.16) |
| Adjusted Net Income | \$8,036 | \$11,023 |
| Adjusted EBITDA | \$16,213 | \$18,212 |

Q1 Net Revenues



Q1 Gross Margin

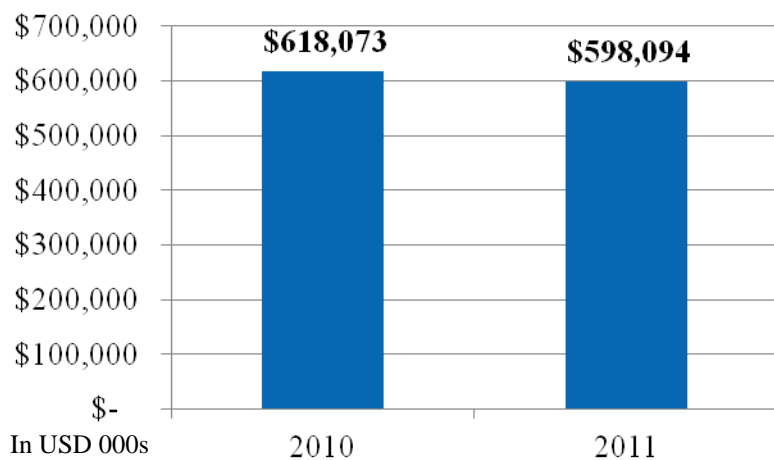


Summary Financial Results – Full-year 2011

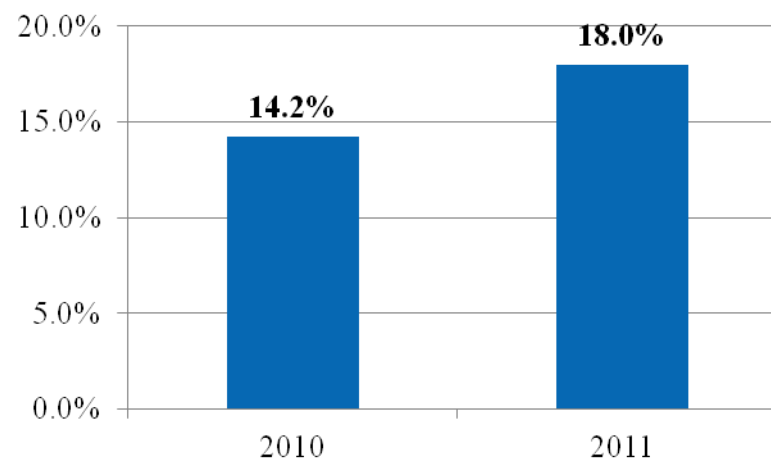


| In USD thousands, excluding EPS | 2011 | 2010 |
|--|-----------|------------|
| Total Revenues | \$598,094 | \$618,073 |
| Gross Profit | \$107,467 | \$87,962 |
| Income from Operations | \$56,689 | \$47,444 |
| Net Income (Loss) | \$26,130 | (\$62,892) |
| Earnings (Loss) per diluted share | \$1.11 | (\$3.42) |
| Adjusted Net Income | \$43,430 | \$37,508 |
| Adjusted EBITDA | \$79,963 | \$69,134 |

Full-year Net Revenues



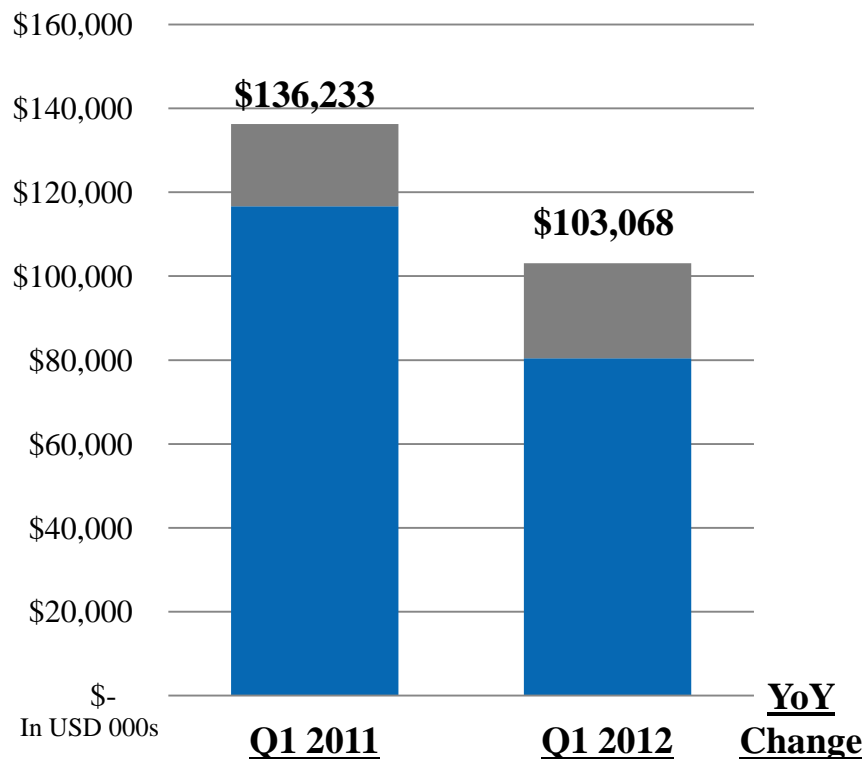
Full-year Gross Margin



Growing Finance & Insurance Revenues

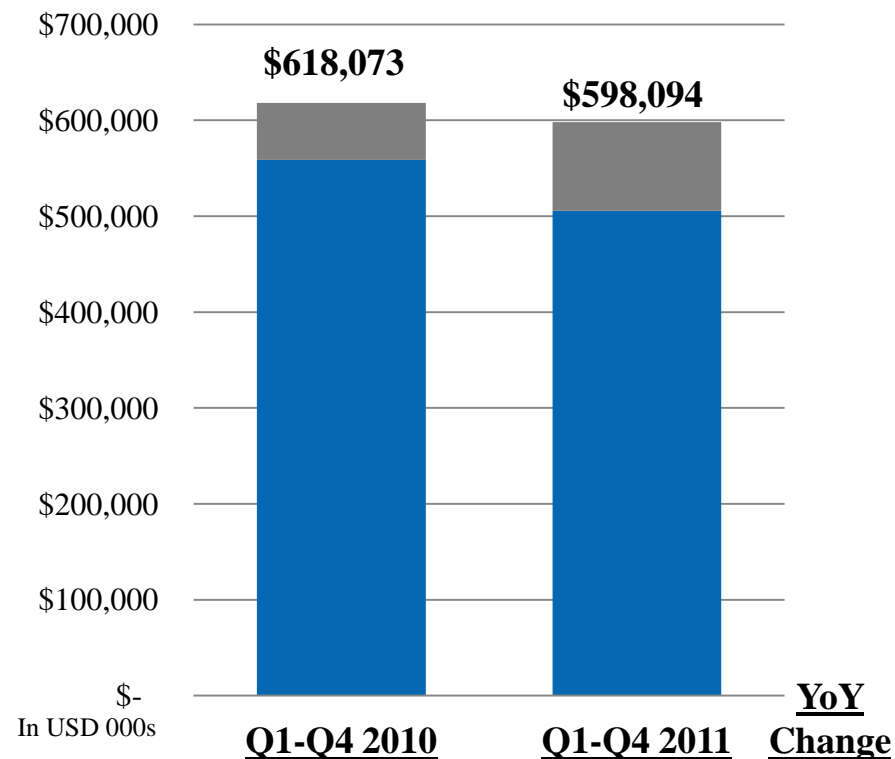


Q1 Revenue



| | | | |
|-------------------------|-----------|----------|--------|
| ■ Commercial Vehicle* | \$116,642 | \$80,443 | -31.0% |
| ■ Finance and Insurance | \$19,591 | \$22,625 | 15.5% |

Full-year Revenue



| | | | |
|-------------------------|-----------|-----------|-------|
| ■ Commercial Vehicle* | \$558,668 | \$505,618 | -9.5% |
| ■ Finance and Insurance | \$59,405 | \$92,476 | 55.7% |

*Commercial vehicle revenue includes revenues from "Agency services, related parties."

Summary Balance Sheet



| In USD thousands, excluding EPS | | 3/31/2012 (unaudited) | 12/31/2011 |
|--|--|---------------------------------|-------------------|
| Total Cash (including restricted) | | \$35,591 | \$43,178 |
| Working Capital | | \$186,650 | \$170,668 |
| Total Debt | | \$185,121 | \$230,078 |
| Shareholders' Equity | | \$293,567 | \$290,282 |



- AutoChina's commercial vehicle sales and leasing segment is well positioned to be the dominant player in a fragmented market
 - Company leased 10,935 vehicles in 2011, operated 506 stores at the end of 2011
 - Since launching its commercial vehicles sales and leasing business in March 2008, AutoChina has leased over 33,000 trucks.
- Capital-efficient business model with rapid expansion possibilities
- Business transformation leading to increased profitability
 - Continued exploration of new complementary product lines
- Accomplished and dedicated management team

AutoChina is a unique opportunity to invest in
China's growing specialty finance/heavy truck market



- **At the Company**

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