

March 22, 2012

Attention Business/Financial Editors:

AutoCanada Inc. announces record fourth quarter and record annual financial results for the period ended December 31, 2011:

A conference call to discuss the results for the year ended December 31, 2011 will be held on March 23, 2012 at 11:00 a.m. Eastern time (9:00 a.m. Mountain time). To participate in the conference call, please dial 1-888-231-8191 or (647) 427-7450 approximately 10 minutes prior to the call. A live and archived audio webcast of the conference call will also be available on the Company's website www.autocan.ca.

EDMONTON, Alberta, March 22, 2012/CNW - AutoCanada Inc. (the "Company" or "AutoCanada") (TSX: ACQ) today announced financial results for the year ended December 31, 2011 and the three month period ended December 31, 2011.

2011 Annual Operating Results

- Revenue increased by 16.0% or \$139.4 million to over \$1 billion
- Gross profit increased by 12.7% or \$19.1 million
- Same store revenue increased by 17.3%
- Same store gross profit increased by 13.9%
- EBITDA was \$29.1 million vs. \$16.7 million in 2010, a 74% increase
- The number of new vehicles retailed increased by 13.6%
- The number of used vehicles retailed decreased by 1.0%
- Repair orders completed for the year were down 1.4%
- Same store repair orders completed for the year were up 1.0%

In commenting on the financial results for the year ended December 31, 2011, Pat Priestner, Chief Executive Officer of AutoCanada Inc. stated that, "The Company reached a significant milestone this year with sales exceeding the billion dollar threshold for the first time in our history. We achieved record results in 2011 with significant improvements to sales, gross profit and net earnings. Our management team is very pleased with the performance of our dealerships in 2011 and would like to express our gratitude for the hard work and dedication of the members of our dealership teams, our head office team, our Manufacturer partners, and finance providers, all of whom contributed greatly to this achievement. In addition, Management is pleased to be currently pursuing a number of opportunities, which if successful, could provide additional sources of long term shareholder value."

2011 Fourth Quarter Operating Results

- Revenue increased 20.4% or \$40.4 million
- Gross profit increased by 18.2% or \$6.5 million
- Same store revenue increased by 24.8%
- Same store gross profit increased by 20.6%
- EBITDA was \$7.5 million vs. \$3.5 million in Q4 of 2010, a 117.6% increase
- The number of new vehicles retailed increased by 13.2%
- The number of used vehicles retailed increased by 12.0%
- Repair orders completed for the quarter were down 1.5%
- Same store repair orders completed for the quarter were up 4.2%

In commenting on the financial results for the three month period ended December 31, 2011, Pat Priestner, Chief Executive Officer of AutoCanada Inc. stated that, "The fourth quarter of 2011 was a very strong quarter for the Company with increases in revenue and gross profit in all four business streams. We are pleased to have more than doubled our EBITDA for the quarter and to have increased our dividend for the fourth consecutive quarter, as announced on February 15, 2012."

Fourth Quarter 2011 Highlights

- For the fourth quarter of 2011, the Company generated net earnings before other items (reversal of impairment of intangible assets and its related tax effect) of \$4.5 million or basic and diluted earnings per share of \$0.23. Pre-tax earnings before other items (reversal of impairment of intangible assets) increased by \$4.3 million to \$6.2 million in the fourth quarter of 2011 as compared to \$1.9 million in the same period in 2010.
- Same store revenue increased by 24.8% in the fourth quarter of 2011, compared to the same quarter in 2010. Same store gross profit increased by 20.6% in the fourth quarter of 2011, compared to the same quarter in 2010.
- Revenue from existing and new dealerships increased 20.4% to \$238.3 million in the fourth quarter of 2011 from \$197.9 million in the same quarter in 2010.
- Gross profit from existing and new dealerships increased 18.2% to \$42.2 million in the fourth quarter of 2011 from \$35.7 million in the same quarter in 2010.
- EBITDA increased 117.6% to \$7.5 million in the fourth quarter of 2011 from \$3.5 million in the same quarter in 2010.
- Free cash flow increased to \$9.0 million in the fourth quarter of 2011 or \$0.45 per share as compared to \$5.7 million or \$0.29 per share in the fourth quarter of 2010.
- Adjusted free cash flow increased to \$7.4 million in the fourth quarter of 2011 or \$0.37 per share as compared to \$2.7 million or \$0.14 per share in 2010.
- Adjusted return on capital employed increased to 5.3% in the fourth quarter of 2011 as compared to 2.0% in 2010.

2011 Highlights

- For the year ended December 31, 2011, the Company generated net earnings before other items (reversal of impairment of intangible assets and its related tax effect) of \$17.6 million, or basic and fully diluted earnings per share of \$0.89. Pre-tax earnings before other items (reversal of impairment of intangible assets) increased by \$12.3 million to \$23.8 million for the year ended December 31, 2011 as compared to \$11.5 million in 2010.
- Same store revenue and gross profit increased by 17.3% and 13.9% respectively in the year ended December 31, 2011, compared to the results of the Company for the 2010 year.
- Revenue from existing and new dealerships increased 16.0% to \$1.01 billion in the year ended December 31, 2011 from the \$869.5 million that was generated by the Company in 2010.
- Gross profit from existing and new dealerships increased by 12.7% to \$169.1 million in the year ended December 31, 2011 from the \$150.0 million that was generated by the Company in the 2010 year.
- EBITDA increased 74.0% to \$29.1 million for the year ended December 31, 2011 from the \$16.7 million that was generated by the Company in the 2010 year.
- Free cash flow decreased to \$27.1 million in the year ended December 31, 2011 or \$1.36 per share as compared to \$29.9 million or \$1.51 per share in 2010.
- Adjusted free cash flow increased to \$27.7 million in the year ended December 31, 2011 or \$1.39 per share as compared to \$14.0 million or \$0.70 per share in 2010.
- On November 4, 2011, the Company purchased substantially all of the net operating and fixed assets of Valley Autohouse (1984) Ltd. operating two dealerships as Valley Autohouse (“Abbotsford and Chilliwack Volkswagen”). The Abbotsford facility is an approximately 9,300 sq. ft. leased facility which includes eight service bays and a six car showroom. The dealership has been in operation since 1986 and in 2010 retailed approximately 210 new and 190 used vehicles. The Chilliwack facility is an approximately 4,500 sq. ft. leased facility which includes 3 service bays and a single car showroom. The dealership has been in operation since 2002 and in 2010 retailed approximately 30 new and 40 used vehicles.

Dividends

Management reviews the Company's financial results on a monthly basis. The Board of Directors reviews the financial results on a quarterly basis, or as requested by Management, and determine whether a dividend shall be paid based on a number of factors.

The following table summarizes the dividends declared by the Company in 2011:

(In thousands of dollars)

Record date	Payment date	Total	
		Declared	Paid
		\$	\$
February 28, 2011	March 15, 2011	795	795
May 31, 2011	June 15, 2011	995	995
August 31, 2011	September 15, 2011	1,988	1,988
November 30, 2011	December 15, 2011	2,386	2,386

On February 15, 2012, the Board declared a quarterly eligible dividend of \$0.14 per common share on AutoCanada's outstanding Class A common shares, payable on March 15, 2012 to shareholders of record at the close of business on February 29, 2012. The quarterly eligible dividend of \$0.14 represents an annual dividend rate of \$0.56 per share or a 17% increase in the dividend from the prior quarter. The next scheduled dividend review will be in May of 2012.

SELECTED ANNUAL FINANCIAL INFORMATION

The following table shows the audited results of the Company for the years ended December 31, 2009, December 31, 2010 and December 31, 2011. The results of operations for these periods are not necessarily indicative of the results of operations to be expected in any given comparable period. The column below marked “CGAAP” represents financial information which has not been restated for the Company’s adoption of IFRS and readers are cautioned that this column may not provide appropriate comparative information.

(In thousands of dollars except Operating Data and gross profit %)	The Company CGAAP	The Company IFRS	The Company IFRS
	(Audited)	(Audited)	(Audited)
	2009	2010	2011
Income Statement Data			
Revenue	775,836	869,507	1,008,858
New vehicles	412,203	514,676	640,721
Used vehicles	212,234	202,552	206,030
Parts, service & collision repair	108,164	108,558	110,262
Finance, insurance & other	43,235	43,721	51,845
Gross profit	141,976	150,020	169,124
New vehicles	29,308	38,164	47,705
Used vehicles	19,913	16,885	17,381
Parts, service & collision repair	53,338	55,888	57,480
Finance, insurance & other	39,417	39,083	46,558
Gross profit %	18.3%	17.3%	16.8%
Operating expenses	121,813	130,237	136,846
Operating expenses as % of gross profit	85.8%	86.8%	80.9%
Finance costs - floorplan	4,855	7,536	8,057
Finance costs – long term debt	1,647	1,076	1,136
(Reversal of) Impairment of intangible assets	-	(8,059)	(25,543)
Income taxes	449	4,956	12,509
Net earnings	12,578	14,596	36,784
EBITDA ¹	18,352	16,740	29,131
Cash dividends per share	0.062	0.120	0.310
Basic earnings (loss) per share	0.633	0.734	1.850
Diluted earnings (loss) per share	0.633	0.734	1.850
Operating Data			
Vehicles (new and used) sold	23,083	24,239	27,998
New retail vehicles sold	11,117	12,767	14,499
New fleet vehicles sold	2,233	2,717	4,832
Used retail vehicles sold	9,733	8,755	8,667
Number of service & collision repair orders completed	301,282	309,705	305,298
Absorption rate ²	89%	86%	88%
# of dealerships	22	23	24
# of same store dealerships ³	19	21	21
# of service bays at period end	331	339	333
Same store revenue growth ³	(10.5)%	10.5%	17.3%
Same store gross profit growth ³	(7.8)%	4.1%	13.9%

¹ EBITDA has been calculated as described under “NON-GAAP MEASURES”.

² Absorption has been calculated as described under “NON-GAAP MEASURES”.

³ Same store revenue growth & same store gross profit growth is calculated using franchised automobile dealerships that we have owned for at least 2 full years.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following table shows the unaudited results of the Company for each of the eight most recently completed quarters. The results of operations for these periods are not necessarily indicative of the results of operations to be expected in any given comparable period.

(In thousands of dollars except Operating Data and gross profit %)

	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011
Income Statement Data								
New vehicles	114,520	144,655	141,533	113,967	128,303	196,850	172,688	142,880
Used vehicles	49,034	57,181	50,922	45,414	44,906	52,054	55,351	53,719
Parts, service & collision repair	26,168	27,501	26,540	28,351	26,462	28,256	26,871	28,673
Finance, insurance & other	10,067	12,442	11,060	10,151	11,113	13,577	14,109	13,046
Revenue	199,789	241,779	230,055	197,883	210,784	290,737	269,019	238,318
New vehicles	8,128	11,030	9,983	9,023	9,724	13,974	12,740	11,267
Used vehicles	4,099	4,906	4,221	3,659	3,486	4,302	5,020	4,573
Parts, service & collision repair	13,252	14,612	14,031	13,994	13,277	15,159	14,493	14,551
Finance, insurance & other	9,082	11,107	9,843	9,050	9,947	12,117	12,641	11,853
Gross profit	34,561	41,655	38,078	35,725	36,434	45,552	44,894	42,244
Gross profit %	17.3%	17.2%	16.6%	18.1%	17.3%	15.7%	16.7%	17.7%
Operating expenses	30,740	34,280	33,207	32,010	31,891	35,127	35,742	34,086
Operating exp. as % of gross profit	88.9%	82.3%	87.2%	89.6%	87.5%	77.1%	79.6%	80.7%
Finance costs – floorplan	1,670	2,230	2,042	1,594	1,685	2,311	2,190	1,871
Finance costs – long-term debt	236	230	278	332	283	323	296	234
Reversal of impairment of intangibles	-	-	-	(8,059)	-	-	-	(25,543)
Income taxes	516	1,330	692	2,418	690	2,029	1,646	8,144
Net earnings ⁴	1,414	3,624	1,983	7,575	1,995	5,951	5,230	23,608
EBITDA ^{1,4}	3,096	6,164	4,011	3,469	4,047	9,321	8,216	7,547
Basic earnings (loss) per share	0.071	0.182	0.100	0.381	0.100	0.299	0.263	1.187
Diluted earnings (loss) per share	0.071	0.182	0.100	0.381	0.100	0.299	0.263	1.187
Operating Data								
Vehicles (new and used) sold	5,676	6,994	6,350	5,219	5,826	8,210	7,649	6,313
New retail vehicles sold	2,787	3,614	3,358	3,008	3,050	4,158	3,907	3,405
New fleet vehicles sold	661	919	831	306	796	1,900	1,340	775
Used retail vehicles sold	2,228	2,461	2,161	1,905	1,980	2,152	2,402	2,133
Number of service & collision repair orders completed	75,311	80,072	77,285	77,037	72,360	80,851	76,176	75,911
Absorption rate ²	85%	87%	85%	86%	80%	91%	90%	91%
# of dealerships at period end	22	23	23	23	23	22	22	24
# of same store dealerships ³	19	19	19	21	22	21	21	21
# of service bays at period end	331	339	339	339	339	322	322	333
Same store revenue growth ³	16.9%	19.4%	6.7%	2.4%	2.7%	19.3%	21.6%	24.8%
Same store gross profit growth ³	11.1%	7.5%	(4.0)%	2.9%	2.9%	8.2%	22.9%	20.6%
Balance Sheet Data								
Cash and cash equivalents	23,615	31,880	34,329	37,541	39,337	43,837	49,366	53,641
Accounts receivable	40,701	46,787	37,149	32,832	42,260	51,539	44,172	42,448
Inventories	153,847	177,294	137,507	118,088	134,865	149,481	159,732	136,869
Revolving floorplan facilities	160,590	194,388	145,652	124,609	152,075	172,600	175,291	150,816

¹ EBITDA has been calculated as described under “NON-GAAP MEASURES”.

² Absorption has been calculated as described under “NON-GAAP MEASURES”.

³ Same store revenue growth & same store gross profit growth is calculated using franchised automobile dealerships that we have owned for at least 2 full years.

⁴ The results from operations have been lower in the first and fourth quarters of each year, largely due to consumer purchasing patterns during the holiday season, inclement weather and the reduced number of business days during the holiday season. As a result, our financial performance is generally not as strong during the first and fourth quarters than during the other quarters of each fiscal year. The timing of acquisitions may have also caused substantial fluctuations in operating results from quarter to quarter.

The following table summarizes the results for the year ended December 31, 2011, on a same store basis by revenue source, and compares these results to the same periods in 2010.

Same Store Gross Profit and Gross Profit Percentage

(In thousands of dollars except % change and gross profit %)	For the Year Ended					
	Gross Profit			Gross Profit %		
	Dec. 31, 2011	Dec. 31, 2010	% Change	Dec. 31, 2011	Dec. 31, 2010	Change
Revenue Source						
New vehicles	45,772	36,389	25.8%	7.6%	7.6%	0.0%
Used vehicles	16,897	16,772	0.7%	8.5%	8.6%	(0.1)%
Finance, insurance and other	44,941	37,407	20.1%	90.6%	89.9%	0.6%
Subtotal	107,610	90,568	19.4%			
Parts, service and collision repair	54,609	51,886	5.2%	52.2%	51.4%	0.7%
Total	162,219	142,454	13.9%	16.9%	17.4%	(0.5)%

The following table summarizes the results for the three-month period ended December 31, 2011 on a same store basis by revenue source and compares these results to the same period in 2010.

Same Store Gross Profit and Gross Profit Percentage

(In thousands of dollars except % change and gross profit %)	For the Three-Month Period Ended					
	Gross Profit			Gross Profit %		
	Dec. 31, 2011	Dec. 31, 2010	% Change	Dec. 31, 2011	Dec. 31, 2010	Change
Revenue Source						
New vehicles	10,835	8,554	26.7%	7.9%	8.2%	(0.3)%
Used vehicles	4,398	3,620	21.5%	8.4%	8.3%	0.1%
Finance, insurance and other	11,507	8,558	34.5%	91.5%	89.9%	1.6%
Subtotal	26,740	20,732	29.0%			
Parts, service and collision repair	13,923	12,981	7.3%	50.7%	49.2%	1.5%
Total	40,663	33,713	20.6%	17.8%	18.4%	(0.6)%

About AutoCanada

AutoCanada is one of Canada's largest multi-location automobile dealership groups, currently operating 24 franchised dealerships in British Columbia, Alberta, Manitoba, Ontario, New Brunswick and Nova Scotia. In 2011, our dealerships sold approximately 28,000 vehicles and processed approximately 300,000 service and collision repair orders in our 333 service bays during that time.

Our dealerships derive their revenue from the following four inter-related business operations: new vehicle sales; used vehicle sales; parts, service and collision repair; and finance and insurance. While new vehicle sales are the most important source of revenue, they generally result in lower gross profits than used vehicle sales, parts, service and collision repair operations and finance and insurance sales. Overall gross profit margins increase as revenues from higher margin operations increase relative to revenues from lower margin operations. We earn fees for arranging financing on new and used vehicle purchases on behalf of third parties. Under our agreements with our retail financing sources we are required to collect and provide accurate financial information, which if not accurate, may require us to be responsible for the underlying loan provided to the consumer.

Forward Looking Statements

Certain statements contained in this press release are forward-looking statements and information (collectively "forward-looking statements"), within the meaning of the applicable Canadian securities legislation. We hereby provide cautionary statements identifying important factors that could cause our actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "will continue", "is anticipated", "projection", "vision", "goals", "objective", "target", "schedules", "outlook", "anticipate", "expect", "estimate", "could", "should", "expect", "plan", "seek", "may", "intend", "likely", "will", "believe" and similar expressions are not historical facts and are forward-looking and may involve estimates and assumptions and are subject to risks, uncertainties and other factors some of which are beyond our control and difficult to predict. Accordingly, these factors could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. Therefore, any such forward-looking statements are qualified in their entirety by reference to the factors discussed throughout this document.

The Company's Annual Information Form and other documents filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

NON-GAAP MEASURES

This press release contains certain financial measures that do not have any standardized meaning prescribed by Canadian GAAP. Therefore, these financial measures may not be comparable to similar measures presented by other issuers. Investors are cautioned these measures should not be construed as an alternative to net earnings (loss) or to cash provided by (used in) operating, investing, and financing activities determined in accordance with Canadian GAAP, as indicators of our performance. We provide these measures to assist investors in determining our ability to generate earnings and cash provided by (used in) operating activities and to provide additional information on how these cash resources are used. We list and define these “NON-GAAP MEASURES” below:

EBITDA

EBITDA is a measure commonly reported and widely used by investors as an indicator of a company’s operating performance and ability to incur and service debt, and as a valuation metric. The Company believes EBITDA assists investors in comparing a company’s performance on a consistent basis without regard to depreciation and amortization and asset impairment charges which are non-cash in nature and can vary significantly depending upon accounting methods or non-operating factors such as historical cost. References to “EBITDA” are to earnings before interest expense (other than interest expense on floorplan financing and other interest), income taxes, depreciation, amortization and asset impairment charges.

EBIT

EBIT is a measure used by management in the calculation of Return on capital employed (defined below). Management’s calculation of EBIT is EBITDA (calculated above) less depreciation and amortization.

Free Cash Flow

Free cash flow is a measure used by management to evaluate its performance. While the closest Canadian GAAP measure is cash provided by operating activities, free cash flow is considered relevant because it provides an indication of how much cash generated by operations is available after capital expenditures. It shall be noted that although we consider this measure to be free cash flow, financial and non-financial covenants in our credit facilities and dealer agreements may restrict cash from being available for distributions, re-investment in the Company, potential acquisitions, or other purposes. Investors should be cautioned that free cash flow may not actually be available for growth or distribution of the Company. References to “Free cash flow” are to cash provided by (used in) operating activities (including the net change in non-cash working capital balances) less capital expenditures (not including acquisitions of dealerships and dealership facilities).

Adjusted Free Cash Flow

Adjusted free cash flow is a measure used by management to evaluate its performance. Adjusted free cash flow is considered relevant because it provides an indication of how much cash generated by operations before changes in non-cash working capital is available after deducting expenditures for non-growth capital assets. It shall be noted that although we consider this measure to be adjusted free cash flow, financial and non-financial covenants in our credit facilities and dealer agreements may restrict cash from being available for distributions, re-investment in the Company, potential acquisitions, or other purposes. Investors should be cautioned that adjusted free cash flow may not actually be available for growth or distribution of the Company. References to “Adjusted free cash flow” are to cash provided by (used in) operating activities (before changes in non-cash working capital balances) less non-growth capital expenditures.

Adjusted Average Capital Employed

Adjusted average capital employed is a measure used by management to determine the amount of capital invested in AutoCanada and is used in the measure of Adjusted Return on Capital Employed (described below). Adjusted average capital employed is calculated as the average balance of interest bearing debt for the period (including current portion of long term debt, excluding revolving floorplan facilities) and the average balance of shareholders equity for the period, adjusted for impairments of intangible assets, net of deferred tax. Management does not include future income tax, non-interest bearing debt, or revolving floorplan facilities in the calculation of adjusted average capital employed as it does not consider these items to be capital, but rather debt incurred to finance the operating activities of the Company.

Absorption Rate

Absorption rate is an operating measure commonly used in the retail automotive industry as an indicator of the performance of the parts, service and collision repair operations of a franchised automobile dealership. Absorption rate is not a measure recognized by GAAP and does not have a standardized meaning prescribed by GAAP. Therefore, absorption rate may not be

comparable to similar measures presented by other issuers that operate in the retail automotive industry. References to “absorption rate” are to the extent to which the gross profits of a franchised automobile dealership from parts, service and collision repair cover the costs of these departments plus the fixed costs of operating the dealership, but does not include expenses pertaining to our head office. For this purpose, fixed operating costs include fixed salaries and benefits, administration costs, occupancy costs, insurance expense, utilities expense and interest expense (other than interest expense relating to floor plan financing) of the dealerships only.

Average Capital Employed

Average capital employed is a measure used by management to determine the amount of capital invested in AutoCanada and is used in the measure of Return on Capital Employed (described below). Average capital employed is calculated as the average balance of interest bearing debt for the period (including current portion of long term debt, excluding revolving floorplan facilities) and the average balance of shareholders equity for the period. Management does not include future income tax, non-interest bearing debt, or revolving floorplan facilities in the calculation of average capital employed as it does not consider these items to be capital, but rather debt incurred to finance the operating activities of the Company.

Return on Capital Employed

Return on capital employed is a measure used by management to evaluate the profitability of our invested capital. As a corporation, management of AutoCanada may use this measure to compare potential acquisitions and other capital investments against our internally computed cost of capital to determine whether the investment shall create value for our shareholders. Management may also use this measure to look at past acquisitions, capital investments and the Company as a whole in order to ensure shareholder value is being achieved by these capital investments. Return on capital employed is calculated as EBIT (defined above) divided by Average Capital Employed (defined above).

Adjusted Return on Capital Employed

Adjusted return on capital employed is a measure used by management to evaluate the profitability of our invested capital. As a corporation, management of AutoCanada may use this measure to compare potential acquisitions and other capital investments against our internally computed cost of capital to determine whether the investment shall create value for our shareholders. Management may also use this measure to look at past acquisitions, capital investments and the Company as a whole in order to ensure shareholder value is being achieved by these capital investments. Adjusted return on capital employed is calculated as EBIT (defined above) divided by Adjusted Average Capital Employed (defined above).

Cautionary Note Regarding Non-GAAP Measures

EBITDA, EBIT, Free Cash Flow, Adjusted Free Cash Flow, Absorption Rate, Average Capital Employed and Return on Capital Employed are not earnings measures recognized by GAAP and do not have standardized meanings prescribed by GAAP. Investors are cautioned that these non-GAAP measures should not replace net earnings or loss (as determined in accordance with GAAP) as an indicator of the Company's performance, of its cash flows from operating, investing and financing activities or as a measure of its liquidity and cash flows. The Company's methods of calculating EBITDA, EBIT, Free Cash Flow, Adjusted Free Cash Flow, Absorption Rate, Average Capital Employed and Return on Capital Employed may differ from the methods used by other issuers. Therefore, the Company's EBITDA, EBIT, Free Cash Flow, Adjusted Free Cash Flow, Absorption Rate, Average Capital Employed and Return on Capital Employed may not be comparable to similar measures presented by other issuers.

Additional information about AutoCanada Inc. is available at the Company's website at www.autocan.ca and www.sedar.com. For further information contact:

Jeff Christie, CA

Vice-President, Finance

Phone: (780) 732-7164 Email: jchristie@autocan.ca

AutoCanada Inc.

Consolidated Statements of Comprehensive Income

For the Years Ended

(in thousands of Canadian dollars except for share and per share amounts)

	December 31, 2011 \$	December 31, 2010 \$
Revenue	1,008,858	869,507
Cost of sales	(839,734)	(719,487)
Gross profit	169,124	150,020
Operating expenses	(136,846)	(130,237)
Operating profit before other income	32,278	19,783
Gain (loss) on disposal of assets	(41)	6
Reversal of impairment of assets	25,543	8,059
Operating profit	57,780	27,848
Finance costs	(9,848)	(9,217)
Finance income	1,361	921
Net comprehensive income for the year before taxation	49,293	19,552
Income tax	12,509	4,956
Net comprehensive income for the period	36,784	14,596
Earnings per share		
Basic	1.850	0.734
Diluted	1.850	0.734
Weighted average shares		
Basic	19,880,930	19,880,930
Diluted	19,880,930	19,880,930

The accompanying notes are an integral part of these consolidated financial statements.

Approved on behalf of the Company:

(Signed) "Gordon R. Barefoot", Director

(Signed) "Robin Salmon", Director

AutoCanada Inc.

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)

	December 31, 2011	December 31, 2010	January 1, 2010
	\$	\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	53,641	37,541	21,528
Trade and other receivables	42,448	32,832	35,323
Inventories	136,869	118,088	108,324
Other current assets	1,120	1,148	1,646
	234,078	189,609	166,821
Property and equipment	25,975	25,590	17,600
Intangible assets	66,181	40,018	30,600
Goodwill	380	309	-
Other long-term assets	7,609	5,909	2,198
Deferred tax	-	-	3,492
	334,223	261,435	220,711
LIABILITIES			
Current liabilities			
Trade and other payables	32,132	26,622	24,831
Revolving floorplan facilities	150,816	124,609	102,370
Current tax payable	2,046	-	-
Current lease obligations	1,204	907	175
Current indebtedness	2,859	277	96
	189,057	152,415	127,472
Long-term lease obligations	-	120	289
Long-term indebtedness	20,115	24,974	22,785
Deferred tax	12,056	1,552	-
	221,228	179,061	150,546
EQUITY			
Share capital	190,435	190,435	190,435
Contributed surplus	3,918	3,918	3,918
Accumulated deficit	(81,358)	(111,979)	(124,188)
	112,995	82,374	70,165
	334,223	261,435	220,711

The accompanying notes are an integral part of these consolidated financial statements.

AutoCanada Inc.

Consolidated Statements of Changes in Equity

For the Years Ended

(in thousands of Canadian dollars)

	Share capital	Contributed surplus	Total capital	Accumulated deficit	Equity
	\$	\$	\$	\$	\$
Balance, January 1, 2011	190,435	3,918	194,353	(111,979)	82,374
Net comprehensive income	-	-	-	36,784	36,784
Dividends declared on common shares	-	-	-	(6,163)	(6,163)
Balance, December 31, 2011	190,435	3,918	194,353	(81,358)	112,995

	Share capital	Contributed surplus	Total capital	Accumulated deficit	Equity
	\$	\$	\$	\$	\$
Balance, January 1, 2010	190,435	3,918	194,353	(124,188)	70,165
Net comprehensive income	-	-	-	14,596	14,596
Dividends declared on common shares	-	-	-	(2,387)	(2,387)
Balance, December 31, 2010	190,435	3,918	194,353	(111,979)	82,374

The accompanying notes are an integral part of these consolidated financial statements.

AutoCanada Inc.

Consolidated Statements of Cash Flows

For the Years Ended

(in thousands of Canadian dollars)

	December 31, 2011 \$	December 31, 2010 \$
Cash provided by (used in)		
Operating activities		
Net comprehensive income	36,784	14,596
Income taxes	12,509	4,956
Shared-based payments	302	57
Amortization of property and equipment	4,245	4,171
Amortization of prepaid rent	452	452
Loss (gain) on disposal of property and equipment	40	(6)
Gain on reversal of impairment of assets	(25,543)	(8,059)
Net change in non-cash working capital	1,238	18,177
	30,027	34,344
Investing activities		
Business acquisitions	(1,753)	(3,550)
Purchases of property and equipment	(2,954)	(10,487)
Proceeds on sale of property and equipment	79	64
Prepayments of rent	(2,160)	(4,163)
Proceeds on divestiture of dealership	1,464	-
	(5,324)	(18,136)
Financing activities		
Repayment of long term indebtedness	(2,440)	(4,318)
Proceeds from long term indebtedness	-	6,510
Dividends paid	(6,163)	(2,387)
	(8,603)	(195)
Increase in cash	16,100	16,013
Cash and cash equivalents at beginning of year	37,541	21,528
Cash and cash equivalents at end of year	53,641	37,541

The accompanying notes are an integral part of these consolidated financial statements.