SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):
February 25, 2004

Asbury Automotive Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

5511	01-0609375
(Commission File Number)	(IRS Employer Identification No.)
Three Landmark Square, Suite 500, Stamford, CT	06901
(Address of principal executive offices)	(Zip Code)

(203) 356-4400

(Registrant's telephone number, including area code)

None

(Former name or former address, if changed since last report)

Item 7. Financial Statements and Exhibits.

(c) Exhibits

Exhibit No.	Description
99.1	Press Release dated February 25, 2004.

Item 12. Results of Operations and Financial Condition.

The registrant issued a press release on February 25, 2004, announcing its earnings for the fourth quarter and year ended December 31, 2003, which press release is attached hereto as Exhibit 99.1.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ASBURY AUTOMOTIVE GROUP, INC.

Date: February 24, 2004

By: /s/ Kenneth B. Gilman

Name: Kenneth B. Gilman

Title: Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated February 25, 2004

Investors May Contact:
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Asbury Automotive Group Reports Fourth Quarter and 2003 Financial Results

Stamford, Conn., February 25, 2004 - Asbury Automotive Group, Inc. (NYSE: ABG), one of the largest automotive retail and service companies in the U.S., today reported financial results for the fourth quarter and year ended December 31, 2003.

For the year, net income from continuing operations was $50.5 million, or $1.55 per share, before taking into account the impact of a previously announced after tax charge related to the termination of the Bob Baker acquisition agreement, and a non-cash goodwill impairment charge related to the Company's Oregon platform. Including the recognition of the charge related to the Baker transaction and the goodwill impairment charge, net income from continuing operations for the year was $19.8 million, or $0.61 per share. Net income for the year was $15.2 million, or $0.47 per share, which includes a $0.14 loss per share from discontinued operations, as well as the aforementioned charge related to the Baker transaction of $0.05 per share and the goodwill impairment charge of $0.89 per share.

For the fourth quarter of 2003, net income from continuing operations was $10.9 million, or $0.34 per share, excluding the charges related to the Baker transaction and the goodwill impairment, a 44 percent increase over the prior year quarter. Including the charges related to the Baker transaction and the goodwill impairment the Company's net loss from continuing operations for the fourth quarter of 2003 was $19.8 million, or $0.61 per share. The net loss for the fourth quarter of 2003 was $20.4 million, or $0.63 per share, which includes a $0.02 loss per share from discontinued operations, as well as the charges related to the Baker transaction and the goodwill impairment.

The non-cash goodwill impairment charge of $37.9 million ($29.2 million after-tax) was recorded after the completion of the Company's annual assessment of goodwill and other intangible assets as required by Statement of Financial Accounting Standard No. 142. As previously announced and discussed with investors, this charge reduces the carrying value of goodwill associated with Asbury's Oregon platform. The Company anticipates that based upon management changes in 2003 and the implementation of its operational improvement plan, financial performance in its Oregon platform should improve in 2004. In the event that the turnaround called for by this plan takes longer than anticipated or is only partially successful, the Company believes that Oregon's current performance run rate, which includes the impact of expense reduction initiatives already implemented, is sufficient to sustain the remaining goodwill.
Other financial highlights for the year and fourth quarter, as compared to the corresponding periods in 2002, included:

- The Company's total revenues for the year increased 8.2 percent, while same-store retail sales (excluding fleet and wholesale business) rose 3.5 percent. For the fourth quarter, total revenues increased 9.8 percent, while same-store retail sales rose 1.4 percent.
- Total retail gross profit dollars for the year increased 6.2 percent, while same-store retail gross profit rose 1.4 percent. For the fourth quarter, gross profit increased 7.0 percent, and decreased 0.7 percent on a same-store basis.
- For the year, new vehicle retail sales increased 10.0 percent in dollars (5.1 percent same-store), and increased 3.6 percent in units (down 0.7 percent same-store). For the fourth quarter, new vehicle retail sales increased 13.8 percent in dollars (5.2 percent same-store) and rose 6.0 percent in units (down 0.9 percent same-store).
- For the year, used vehicle retail sales increased 1.5 percent in dollars (down 3.1 percent same-store), and increased 2.0 percent in units (down 2.1 percent same-store). For the fourth quarter, used vehicle retail sales decreased 5.1 percent in dollars (12.8 percent same-store) and declined 3.9 percent in units (10.0 percent same-store). Consistent with prior announcements, the Company noted that the used vehicle retail environment remained challenging during the quarter, which was due in large part to the highly promotional new vehicle market.
- Parts, service and collision repair revenues and gross profit for the year increased 10.9 percent and 10.2 percent (5.5 percent and 4.5 percent same-store), respectively. For the fourth quarter, revenues and gross profit increased 13.5 percent and 9.3 percent (4.7 percent and 0.9 percent same-store), respectively. The Company noted that the increase in gross profit during the quarter was lower than the rate of sales increase primarily due to a shift in the business mix.
- For the year, net finance and insurance (F&I) income rose 14.2 percent (10.2 percent same-store), with a 10.9 percent increase in F&I per vehicle retailed (PVR), and a 8.7 percent increase in F&I PVR generated at the platform level. For the quarter, net F&I income rose 12.9 percent (6.6 percent same-store), with a 10.4 percent increase in F&I PVR, and a 5.5 percent increase in F&I PVR generated at the platform level.
- During the fourth quarter, the Company continued to make progress with its productivity initiatives, as selling, general and administrative expenses declined 40 basis points as a percentage of gross profit, and

70 basis points on a same-store basis.

- The Company's effective tax rate for the full year was 38.0 percent, before taking into account the impact of the goodwill impairment charge. Including the charge, the Company's effective tax rate for the year was 51.8 percent.

The Company noted that in 2003 it had completed acquisitions representing $415 million in annualized revenues, of which $150 million was reflected in its 2003 results. Thus far in 2004, the Company completed acquisitions to acquire three franchises with annual revenues of $170 million, with approximately $155 million to be reflected in 2004 results. In addition, the Company noted that it had executed contracts to acquire three additional franchises with annual revenues of $160 million. These pending transactions are subject in all cases to manufacturer consent.

Commenting on expectations for 2004, the Company noted that it was comfortable with the analysts' consensus earnings estimate of $1.76 per share from continuing operations for the full year.

About Asbury Automotive Group

Asbury Automotive Group, Inc., headquartered in Stamford, Connecticut, is one of the largest automobile retailers in the U.S., with 2003 revenues of $4.8 billion. Built through a combination of organic growth and a series of strategic acquisitions, Asbury now operates through nine geographically concentrated, individually branded "platforms." These platforms currently operate 100 retail auto stores, encompassing 142 franchises for the sale and servicing of 35 different brands of American, European and Asian automobiles. Asbury believes that its product mix contains a higher proportion of the more desirable luxury and mid-line import brands than most public automotive retailers. The Company offers customers an extensive range of automotive products and services, including new and used vehicle sales and related financing and insurance, vehicle maintenance and repair services, replacement parts and service contracts.

Forward Looking Statements

This press release contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward- looking statements include statements relating to goals, plans, projections and guidance regarding the Company's financial position, results of operations, market position, product development, pending and potential future acquisitions and business strategy. These statements are based on management's current expectations and involve significant risks and uncertainties that may cause results to differ materially from those set forth in the statements. These risks and uncertainties include, among other things, market factors, the Company's relationships with vehicle manufacturers and other suppliers which could cause among other things acquisitions under contract or letters of intent to fail, risks associated with the Company's substantial indebtedness, risks related to pending and potential future acquisitions, general economic conditions both nationally and locally and governmental regulations and legislation. There can be no guarantees that the Company's plans for future operations will be successfully implemented or that they will prove to be commercially successful. These and other risk factors are discussed in the Company's annual report on Form 10-K and in its other filings with the Securities and Exchange Commission. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

ASBURY AUTOMOTIVE GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

ASSETS	December 31, 2003 (unaudited)	December 31, 2002
CURRENT ASSETS:		
Cash and cash equivalents	$ 106,711	$ 22,613
Contracts-in-transit	93,881	91,190
Accounts receivable, net	114,201	96,090
Inventories	650,397	591,839
Prepaid and other current assets	46,819	47,857
Total current assets	1,012,009	849,589
PROPERTY AND EQUIPMENT, net	266,991	257,305
GOODWILL	404,143	402,133
OTHER ASSETS	101,603	66,758
ASSETS HELD FOR SALE	29,533	29,859
Total assets	$1,814,279	$1,605,644

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Floor plan notes payable	$ 602,167	$ 528,591
Current maturities of long-term debt	33,250	36,412
Accounts payable and accrued liabilities	121,609	117,445
Total current liabilities	757,026	682,448
LONG-TERM DEBT	559,128	438,740
OTHER LIABILITIES	39,686	45,552
LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE	24,732	11,953
STOCKHOLDERS' EQUITY	433,707	426,951
Total liabilities and stockholders' equity	$1,814,279	$1,605,644

ASBURY AUTOMOTIVE GROUP, INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands except per share data) - (unaudited)

	For the Three Months Ended		For the Years Ended		
	December 31, 2003	December 31, 2002	December 31, 2003	December 31, 2002 Pro Forma (a)	December 31, 2002 Actual
REVENUES:					
New vehicle	$ 724,412	$ 637,546	$ 2,909,641	$ 2,644,798	$ 2,644,798
Used vehicle	268,057	270,897	1,183,901	1,158,144	1,158,144
Parts, service and collision repair	141,373	124,547	551,498	497,164	497,164
Finance and insurance, net	30,968	27,439	131,465	115,159	115,159
Total revenues	1,164,810	1,060,429	4,776,505	4,415,265	4,415,265
COST OF SALES:					
New vehicle	670,757	587,567	2,694,777	2,430,494	2,430,494
Used vehicle	246,150	247,336	1,079,314	1,053,878	1,053,878
Parts, service and collision repair	68,414	57,783	262,110	234,575	234,575
Total cost of sales	985,321	892,686	4,036,201	3,718,947	3,718,947
GROSS PROFIT	179,489	167,743	740,304	696,318	696,318
OPERATING EXPENSES:					
Selling, general and administrative	144,541	135,764	580,938	537,846	537,846
Depreciation and amortization	5,243	4,835	20,212	19,062	19,062
Impairment of goodwill	37,930	--	37,930	--	--
(Loss) income from operations	(8,225)	27,144	101,224	139,410	139,410
OTHER INCOME (EXPENSE):					
Floor plan interest expense	(4,537)	(4,801)	(18,800)	(17,860)	(17,860)
Other interest expense	(10,200)	(9,674)	(40,238)	(38,423)	(38,423)
Interest income	49	255	499	1,200	1,200
Net losses from unconsolidated entities	--	--	--	(100)	(100)
Other expense	(1,197)	(340)	(1,619)	(499)	(499)
Total other expense, net	(15,885)	(14,560)	(60,158)	(55,682)	(55,682)
(Loss) income before income taxes and discontinued operations	(24,110)	12,584	41,066	83,728	83,728
INCOME TAX PROVISION:					
Income tax (benefit) expense	(4,294)	5,016	21,268	33,324	27,765
Tax adjustment upon conversion from an L.L.C. to a corporation	--	--	--	--	11,553
(Loss) income from continuing operations	(19,816)	7,568	19,798	50,404	44,410
DISCONTINUED OPERATIONS, net of tax	(611)	(2,070)	(4,611)	(6,325)	(6,325)
Net (loss) income	$ (20,427)	$ 5,498	$ 15,187	$ 44,079(b)	$ 38,085
EARNINGS PER COMMON SHARE:					
Basic:					
(Loss) income from continuing operations	$ (0.61)	$ 0.22	$ 0.61	$ 1.48	$ 1.34
Net (loss) income	$ (0.63)	$ 0.16	$ 0.47	$ 1.30	$ 1.15
Diluted:					
(Loss) income from continuing operations	$ (0.61)	$ 0.22	$ 0.61	$ 1.48	$ 1.34
Net (loss) income	$ (0.62)	$ 0.16	$ 0.46	$ 1.30	$ 1.15
WEIGHTED AVERAGE SHARES OUTSTANDING:					
Basic	32,431	33,810	32,648	33,952	33,065
Diluted	32,686	33,810	32,715	33,960	33,073

(a) Pro forma column includes a tax provision as if the Company were a "C" corporation for the entire period as well as assumes that all shares were outstanding for the full period. This column excludes a one-time charge to establish a net deferred tax liability upon the Company's conversion to a "C" corporation as required by SFAS 109.

(b) Reconciliation of net income to pro forma net income:

GAAP net income from continuing operations	$38,085
Tax adjustment upon conversion from an L.L.C. to a corporation	11,553
Pro forma income tax charge	(5,559) (c)
Pro forma net income from continuing operations	$44,079

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(c) Represents the pro forma tax charge from continuing operations for the time during the period that the company was an L.L.C.

ASBURY AUTOMOTIVE GROUP, INC.
SELECTED DATA
(in thousands except unit data)
(unaudited)

	GAAP Results for the Three Months Ended December 31,		Same Store Results for the Three Months Ended December 31,	
	2003	2002	2003	2002
RETAIL UNITS:				
New	23,460	22,125	21,893	22,100
Used	13,066	13,597	12,208	13,564
Total	36,526	35,722	34,101	35,664
REVENUE:				
New retail	$ 713,535	$ 627,190	$ 659,271	$ 626,519
Used retail	199,555	210,370	183,017	209,917
Parts, service and collision repair	141,373	124,547	130,268	124,400
Finance and insurance, net	30,968	27,439	29,175	27,368
Fleet	10,877	10,356	10,550	10,356
Wholesale	68,502	60,527	62,183	60,493
Total	$ 1,164,810	$ 1,060,429	$ 1,074,464	$ 1,059,053
GROSS PROFIT:				
New retail	$ 47,116	$ 44,051	$ 43,065	$ 44,015
Used retail	23,023	24,478	21,427	24,412
Parts, service and collision repair	72,959	66,764	67,266	66,654
Finance and insurance, net	30,968	27,439	29,175	27,368
Fleet	421	446	416	446
Wholesale	(1,116)	(917)	(868)	(920)
Floor plan interest credits	6,118	5,482	5,789	5,469
Total	$ 179,489	$ 167,743	$ 166,270	$ 167,444
GROSS MARGIN %:				
New retail (including floor plan interest credits)	7.5%	7.9%	7.4%	7.9%
Used retail	11.5%	11.6%	11.7%	11.6%
Parts, service and collision repair	51.6%	53.6%	51.6%	53.6%
Finance and insurance, net	100.0%	100.0%	100.0%	100.0%
Total gross margin	15.4%	15.8%	15.5%	15.8%
GROSS PROFIT PER UNIT:				
New retail (including floor plan interest credits)	$ 2,269	$ 2,239	$ 2,231	$ 2,239
Used retail	1,762	1,800	1,755	1,800
Weighted average total for new and used retail	2,088	2,072	2,061	2,072
RECONCILIATION OF FINANCE AND INSURANCE GROSS PROFIT TO PLATFORM FINANCE AND INSURANCE (a):				
Finance and insurance, net	$ 30,968	$ 27,439	$ 29,175	$ 27,368
Less: corporate finance and insurance	(1,393)	--	(1,393)	--
Platform finance and insurance, net	$ 29,575	$ 27,439	$ 27,782	$ 27,368
Platform finance and insurance per vehicle retailed	$ 810	$ 768	$ 815	$ 767
RECONCILIATION OF NET (LOSS) INCOME TO ADJUSTED EBITDA (b):				
Net (loss) income	$ (20,427)	$ 5,498		
Add:				
Depreciation and amortization	5,243	4,835		
Impairment of goodwill	37,930	--		
Other interest expense	10,200	9,674		
Income tax (benefit) expense	(4,294)	5,016		
Adjusted EBITDA	$ 28,652	$ 25,023		

	GAAP Results for the Three Months Ended December 31	
	2003	2002
RECONCILIATION OF NET (LOSS) INCOME TO ADJUSTED INCOME FROM CONTINUING OPERATIONS:		
Net (loss) income	$(20,427)	$ 5,498
Discontinued operations	611	2,070
(Loss) income from continuing operations	(19,816)	7,568
Tax affected impairment of goodwill (c)	29,180	--
Tax affected charge for Bob Baker (d)	1,552	--
Adjusted income from continuing operations	$ 10,916	$ 7,568
RECONCILIATION OF NET (LOSS) INCOME PER COMMON SHARE (BASIC) TO ADJUSTED INCOME FROM CONTINUING OPERATIONS PER COMMON SHARE (BASIC):		
Net (loss) income	$ (0.63)	$ 0.16
Discontinued operations	0.02	0.06
(Loss) income from continuing operations	(0.61)	0.22
Tax affected impairment of goodwill (c)	0.90	--
Tax affected charge for Bob Baker (d)	0.05	--
Adjusted income from continuing operations	$ 0.34	$ 0.22
WEIGHTED AVERAGE SHARES OUTSTANDING:		
Basic	32,431	33,810

	GAAP Results for the Year Ended December 31,		Same Store Results for the Year Ended December 31,	
	2003	2002	2003	2002
RETAIL UNITS:				
New	98,601	95,197	94,531	95,160
Used	59,211	58,076	56,824	58,027
Total	157,812	153,273	151,355	153,187
REVENUE:				
New retail	$ 2,861,746	$ 2,601,487	$ 2,731,889	$ 2,600,506
Used retail	903,113	889,579	861,175	888,858
Parts, service and collision repair	551,498	497,164	524,416	496,928
Finance and insurance, net	131,465	115,159	126,860	115,069
Fleet	47,895	43,311	47,372	43,311
Wholesale	280,788	268,565	266,539	268,530
Total	$ 4,776,505	$ 4,415,265	$ 4,558,251	$ 4,413,202
GROSS PROFIT:				
New retail	$ 189,381	189,755	$ 180,443	189,699
Used retail	106,568	107,281	102,424	107,183
Parts, service and collision repair	289,388	262,589	274,344	262,421
Finance and insurance, net	131,465	115,159	126,860	115,069
Fleet	1,296	1,426	1,293	1,426
Wholesale	(1,981)	(3,015)	(1,661)	(3,018)
Floor plan interest credits	24,187	23,123	23,462	23,109
Total	$ 740,304	696,318	$ 707,165	695,889
GROSS MARGIN %:				
New retail (including floor plan interest credits)	7.5%	8.2%	7.5%	8.2%
Used retail	11.8%	12.1%	11.9%	12.1%
Parts, service and collision repair	52.5%	52.8%	52.3%	52.8%
Finance and insurance, net	100.0%	100.0%	100.0%	100.0%
Total gross margin	15.5%	15.8%	15.5%	15.8%
GROSS PROFIT PER UNIT:				
New retail (including floor plan interest credits)	2,166	2,236	2,157	2,236
Used retail	1,800	1,847	1,802	1,847
Weighted average total for new and used retail	2,029	2,089	2,024	2,089

FREE CASH FLOW (e):	2003	2002
Net cash provided by operating activities	$ 95,344	$ 65,121
Less- Capital expenditures	(54,633)	(57,477)
Add-		
Financial capital expenditures	11,026	5,447
Proceeds from sale-leaseback transactions, including amounts paid directly to the Company's lenders	5,457	--
Total	$ 57,194	$ 13,091

	As of December 31, 2003	As of December 31, 2002
CAPITALIZATION:		
Long-term debt (including current portion)	$ 592,378	$ 475,152
Stockholders' equity	433,707	426,951
Total	$ 1,026,085	$ 902,103

	GAAP Results for the Year Ended December 31,		Same Store Results for the Year Ended December 31,	
	2003	2002	2003	2002
RECONCILIATION OF FINANCE AND INSURANCE GROSS PROFIT TO PLATFORM FINANCE AND INSURANCE (a):				
Finance and insurance, net	$ 131,465	$ 115,159	$ 126,860	$ 115,069
Less: corporate finance and insurance	(2,693)	-	(2,693)	-
Platform finance and insurance, net	$ 128,772	$ 115,159	$ 124,167	$ 115,069
Platform finance and insurance per vehicle retailed	$816	$751	$820	$751

	GAAP Results for the Year Ended December 31	
	2003	2002
RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA (b):		
Net income	$ 15,187	$ 38,085
Add:		
Depreciation and amortization	20,212	19,062
Impairment of goodwill	37,930	--
Other interest expense	40,238	38,423
Income tax expense	21,268	39,318
Adjusted EBITDA	$ 134,835	$ 134,888
RECONCILIATION OF NET INCOME TO ADJUSTED INCOME FROM CONTINUING OPERATIONS:		
Net income	$ 15,187	$ 38,085
Discontinued operations	4,611	6,325
Income from continuing operations	19,798	44,410
Tax affected impairment of goodwill (c)	29,180	--
Tax affected charge for Bob Baker (d)	1,552	--
Adjusted income from continuing operations	$ 50,530	$ 44,410
RECONCILIATION OF NET INCOME PER COMMON SHARE (BASIC) TO ADJUSTED INCOME FROM CONTINUING OPERATIONS PER COMMON SHARE (BASIC):		
Net income	$ 0.47	$ 1.15
Discontinued operations	0.14	0.19
Income from continuing operations	0.61	1.34
Tax affected impairment of goodwill (c)	0.89	--
Tax affected charge for Bob Baker (d)	0.05	--
Adjusted income from continuing operations	$ 1.55	$ 1.34
WEIGHTED AVERAGE SHARES OUTSTANDING:		
Basic	32,648	33,065

(a) The Company believes that platform finance and insurance gross profit provides a more accurate measure of the Company's finance and insurance performance than finance and insurance PVR, as it excludes revenue resulting from corporate negotiated contracts, which is not attributable to retail units sold.

(b) The Company defines adjusted EBITDA as earnings before income taxes, other interest expense, depreciation and amortization and the charge associated with the impairment of goodwill. Adjusted EBITDA, which excludes the charge associated with the impairment of goodwill, provides a basis to measure the performance of the Company's operations and the Company's ability to meet its fixed charges, including interest. Adjusted EBITDA is not a measure of financial performance under accounting principles generally accepted in the United States and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with accounting principles generally accepted in the United States. The Company's definition of adjusted EBITDA may not be comparable to similarly titled measures of other companies.

(c) In connection with the Company's annual impairment test of goodwill conducted in the fourth quarter of 2003, the Company recorded a non-cash goodwill impairment charge of $37,930 (after tax charge of $29,180) associated with the Company's Oregon platform. The goodwill impairment charge is added back to arrive at adjusted net income from continuing operations to provide a basis to measure the Company's operating performance apart from the non-cash impairment charge.

(d) In connection with the proposed acquisition of the Bob Baker Auto Group, the Company incurred $2,503 of costs, including certain costs capitalized in prior periods. In the fourth quarter of 2004, the Company determined that the acquisition was no longer probable and wrote-off such expenses. The corresponding $1,552 after tax charge (tax affected for the year and the quarter at 38%) is added back to arrive at adjusted net income from continuing operations, as the Company views costs related to acquisition activity as investments in the related acquisition not expenses associate with the continuing operations of the Company.

(e) Free cash flow is defined as net cash provided by operating activities less capital expenditures plus proceeds from financing activities associated with the related period's capital projects.