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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

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**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 3, 2020**

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**Asbury Automotive Group, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**

(State or other jurisdiction of incorporation)

**001-31262**

(Commission File Number)

**01-0609375**

(IRS Employer Identification No.)

**2905 Premiere Parkway NW Suite 300**

**Duluth, GA**

(Address of principal executive offices)

**30097**

(Zip Code)

**(770) 418-8200**

(Registrant's telephone number, including area code)

**None**

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

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.01 par value per share	ABG	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 1.01 Entry into a Material Definitive Agreement.

### Amendment to 2019 Senior Credit Facility

On January 31, 2020, Asbury Automotive Group, Inc. (the "Company") obtained an amendment (the "Amendment"), to the Third Amended and Restated Credit Agreement dated, as of September 26, 2019, among the Company, as a borrower, certain of its subsidiaries, as vehicle borrowers, Bank of America, N.A., as administrative agent, revolving swing line lender, new vehicle floorplan swing line lender, used vehicle floorplan swingline lender and an L/C issuer, and the other lenders party thereto, JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as co-syndication agents, Mercedes-Benz Financial Services USA LLC and Toyota Motor Credit Corporation, as co-documentation agents, and BofA Securities, Inc. as sole lead arranger and sole bookrunner.

The Amendment, among other things, provides for the following, and subject to satisfaction of certain other customary conditions in each case, effective concurrently with the consummation of the previously announced acquisition of the Park Place family of dealerships:

- an increase the aggregate commitments under the revolving credit facility to \$350,000,000,
- an increase the aggregate commitments under the new vehicle revolving floorplan facility to \$1,350,000,000 and
- an increase the aggregate commitments under the used vehicle revolving floorplan facility to \$200,000,000.

The foregoing description of the Amendment does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full text of the Amendment, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

## Item 2.02 Results of Operations and Financial Condition.

The Company issued an earnings release on February 3, 2020, announcing its financial results for the three and twelve months ended December 31, 2019. A copy of the earnings release is furnished as Exhibit 99.1 to this Current Report.

The information furnished in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are furnished as part of this report.

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">10.1</a>	First Amendment to the Third Amended and Restated Credit Agreement, dated January 31, 2020, among Asbury Automotive Group, Inc., as a borrower, certain of its subsidiaries, as vehicle borrowers, Bank of America, N.A., as administrative agent, revolving swing line lender, new vehicle floorplan swing line lender, used vehicle floorplan swingline lender and an l/c issuer, and the other lenders party thereto, JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as co-syndication agents, Mercedes-Benz Financial Services USA LLC and Toyota Motor Credit Corporation, as co-documentation agents, and BofA Securities, Inc. as sole lead arranger and sole bookrunner
<a href="#">99.1</a>	Press Release dated February 3, 2020.

**SIGNATURE**

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 3, 2020

By: \_\_\_\_\_ /s/ William F. Stax

**Name:** **William F. Stax**

**Title:** **Interim Principal Financial Officer, Controller and Chief Accounting Officer**

**FIRST AMENDMENT TO  
THIRD AMENDED AND RESTATED CREDIT AGREEMENT**

This **FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT**, dated as of January 31, 2020 (this "Amendment") is by and among **ASBURY AUTOMOTIVE GROUP, INC.**, a Delaware corporation ("Company"), certain Subsidiaries of the Company party hereto as New Vehicle Borrowers (each a "New Vehicle Borrower" and collectively with the Used Vehicle Borrowers (defined below), the "Vehicle Borrowers"), certain Subsidiaries of the Company party hereto as Used Vehicle Borrowers (each a "Used Vehicle Borrower", and collectively with the Company, the "Used Vehicle Borrowers"), the Guarantors party hereto, the Lenders party hereto (collectively, the "Consenting Lenders"), and **BANK OF AMERICA, N.A.**, as Administrative Agent, Revolving Swing Line Lender, New Vehicle Floorplan Swing Line Lender, Used Vehicle Floorplan Swing Line Lender and an L/C Issuer. The Vehicle Borrowers, including the Company in its capacity as Borrower under the Revolving Credit Facility, are referred to collectively as the "Borrowers" and individually as a "Borrower".

**W I T N E S S E T H:**

**WHEREAS**, the Administrative Agent, Revolving Swing Line Lender, New Vehicle Floorplan Swing Line Lender, Used Vehicle Floorplan Swing Line Lender, L/C Issuer, certain financial institutions from time to time party thereto as lenders and the Borrowers are parties to that certain Third Amended and Restated Credit Agreement, dated as of September 25, 2019 (as otherwise amended, supplemented or modified from time to time, the "Credit Agreement"; capitalized terms used but not defined herein shall have the meanings set forth in the Credit Agreement).

**WHEREAS**, the Company and the Borrowers have advised the Administrative Agent and the Lenders of their desire (a) to consummate the acquisition by the Company or one or more of its Subsidiaries of all or substantially all of the assets of the Respective Business (as defined in the Project Star Acquisition Agreement (as defined below) of the Project Star Sellers (as defined below), as contemplated by that certain Asset Purchase Agreement, dated as of December 11, 2019 (the "Project Star Acquisition Agreement" and, together with the documents, agreements, certificates and instruments executed in connection therewith, collectively, the "Project Star Acquisition Documents" and such acquisition, the "Project Star Acquisition"), by and among Asbury Automotive Group, L.L.C., JRA Dealership LP, a Texas limited partnership, Park Place Motorcars Fort Worth, Ltd., a Texas limited partnership, Park Place Motorcars, Ltd., a Texas limited partnership, Park Place RB, Ltd., a Texas limited partnership, PPDV Ltd., a Texas limited partnership, PPJ LLC, a Texas limited liability company, PPM Auction LP, a Texas limited partnership, PPMB Arlington LLC, a Texas limited liability company, PPP LP, a Texas limited partnership, PPCT LP, a Texas limited partnership, and Park Place LX of Texas, Ltd., a Texas limited partnership, Park Place Motorcars of Texas LLC (collectively, the "Project Star Sellers"), Park Place Motorcars Mid Cities, Ltd. and Kenneth L. Schnitzer, (b) for the Company or any of its Subsidiaries to incur certain Indebtedness, which may include Indebtedness incurred under (i) this Agreement, as amended by the First Amendment, (ii) the credit facility evidenced by that certain Credit Agreement dated on or about February 7, 2020 by and among the Company, certain of its Subsidiaries, the financial institutions party thereto and Bank of America, as administrative agent, providing for real estate loans secured by certain real property of the Company and/or its Subsidiaries, (iii) any senior or senior subordinated notes or other securities issued in a Rule 144A/Regulation S offering (the "Securities"), or (iv) a senior bridge facility among the Company, the lenders parties thereto and Bank of America, as administrative agent (such Indebtedness, the "Project Star Acquisition Indebtedness" and the documents, agreements, certificates and instruments executed in connection therewith, collectively, the "Project Star

Acquisition Indebtedness Documents”), the proceeds of which will be used to consummate the transactions contemplated by the Project Star Acquisition Documents.

**WHEREAS**, the Company and the Borrowers have requested (a) an increase in each of the Facilities, so that after giving effect to such increase, (i) the Aggregate Revolving Commitments will be \$350,000,000, (ii) the Aggregate New Vehicle Floorplan Commitments will be of \$1,350,000,000, and (iii) the Aggregate Used Vehicle Floorplan Commitments will be \$200,000,000 (the increases described in clause (a) hereof are collectively referred to herein as the “Increase”), and (b) certain other amendments to the Credit Agreement, as more specifically set forth herein.

**WHEREAS**, the Consenting Lenders are willing to provide the Increase and the Administrative Agent, the Collateral Agent and the Consenting Lenders have agreed to such requests, subject to the terms and conditions of this Amendment.

**WHEREAS**, by this Amendment, the Administrative Agent, the Consenting Lenders, the Company and the Borrowers desire and intend to evidence the amendments set forth herein.

**NOW, THEREFORE**, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

## **SECTION 1 - DEFINITIONS; AMENDMENTS**

**1.1 Definitions.** As used in the Amendment, the following terms shall have the meanings set forth below:

“Commitment Increase Effective Date” has the meaning specified in Section 2.2.

“First Amendment” means that certain First Amendment to Third Amended and Restated Credit Agreement dated as of January 31, 2020 by and among the Company, the New Vehicle Borrowers, the Used Vehicle Borrowers, the Guarantors, the Lenders parties thereto and the Administrative Agent.

“First Amendment Effective Date” has the meaning specified in Section 2.1.

**1.2 Amendments to Credit Agreement Effective on First Amendment Effective Date.**

(a) **Section 1.01** of the Credit Agreement is hereby amended by adding the following new definition to such section in appropriate alphabetical order:

“Designated Escrow Subsidiary” means a wholly-owned Subsidiary that is formed by the Company or any of its Subsidiaries for the sole purpose of incurring Indebtedness the proceeds of which will be subject to an escrow or other similar arrangement; provided that upon the termination of all such escrow or similar arrangements (but in any event no later than the consummation of the Project Star Acquisition), such Subsidiary shall cease to constitute a “Designated Escrow Subsidiary” hereunder and shall merge with and into the Company or one of its Restricted Subsidiaries. Prior to its merger with and into such Person, the Designated

Escrow Subsidiary shall not own, hold or otherwise have any interest in any material assets other than the proceeds of the applicable Indebtedness incurred by the Designated Escrow Subsidiary and any cash or cash equivalents invested in such Designated Escrow Subsidiary to cover interest and premium in respect of such Indebtedness.

(b) **Section 1.01** of the Credit Agreement is hereby amended by amending the definitions of “Consolidated Adjusted Current Liabilities”, “Consolidated Adjusted Funded Indebtedness”, “Consolidated Current Assets”, “Consolidated EBITDA”, “Consolidated EBITDAR”, “Consolidated Interest Expense”, “Consolidated Funded Indebtedness”, “Consolidated Net Income”, “Consolidated Pro Forma Rent Savings”, “Consolidated Rental Expense”, “Consolidated Secured Funded Indebtedness” included therein by adding the following parenthetical after the word “Subsidiaries” and after the word “Subsidiary” in each place where either word appears in such definitions:

“(other than the Designated Escrow Subsidiary)”

(c) **Section 1.01** of the Credit Agreement is hereby amended by amending the definition of “Consolidated Fixed Charges” included therein by adding the following parenthetical after the word “Subsidiaries” each time it appears in such definition:

“(other than the Designated Escrow Subsidiary)”

(d) **Section 1.01** of the Credit Agreement is hereby amended by deleting the definition of “Restricted Subsidiary” included therein and inserting the following in lieu thereof:

“Restricted Subsidiary” means each direct or indirect Subsidiary of the Company that (i) is not an Immaterial Subsidiary, is not a Captive Insurance Company and is not the Designated Escrow Subsidiary, (ii) owns or operates a dealership or (iii) owns any real estate used in the operation of a dealership.

(e) **Section 1.01** of the Credit Agreement is hereby amended by deleting the definition of “Specified Event of Default” included therein and inserting the following in lieu thereof:

“Specified Event of Default” means an Event of Default arising under any or all of Sections 8.01(a), 8.01(f), 8.01(g), 8.03(a), 8.03(g) or 8.03(h).

(f) **Article VI** of the Credit Agreement is hereby amended by adding the following parenthetical after the word “Subsidiary” in the lead-in to such Article:

“(other than the Designated Escrow Subsidiary)”

(g) **Article VII** of the Credit Agreement is hereby amended by adding the following parenthetical after the word “Subsidiary” in the lead-in to such Article:

“(other than the Designated Escrow Subsidiary)”

(h) **Section 7.04** of the Credit Agreement is hereby amended by inserting the following new sentence at the end of such section:

Notwithstanding anything to the contrary contained in this Section 7.04, neither the Company nor any Subsidiary may make any Disposition (other than, to the extent constituting a Disposition, any Investment in the Designated Escrow Subsidiary permitted under Section 7.05) to the Designated Escrow Subsidiary during the term of this Agreement.

(i) **Section 7.05** of the Credit Agreement is hereby amended by inserting the following new sentence at the end of such section:

Notwithstanding anything to the contrary contained in this Section 7.05, neither the Company nor any Subsidiary may make any Investment in the Designated Escrow Subsidiary during the term of this Agreement other than Investments otherwise permitted by this Section 7.05 that do not exceed an aggregate amount necessary to pay (i) the administrative expenses of the Designated Escrow Subsidiary in the ordinary course of business and (ii) interest and premiums in respect of the Indebtedness incurred by the Designated Escrow Subsidiary.

(j) **Section 7.10** of the Credit Agreement is hereby amended by inserting the following new sentence at the end of such section:

Notwithstanding anything to the contrary contained in this Section 7.10, neither the Company nor any Subsidiary may make any dividend or other Restricted Payment to the Designated Escrow Subsidiary during the term of this Agreement.

(k) **Section 7.16** of the Credit Agreement is hereby amended by deleting the phrase “permitted refinancing of such Indebtedness” contained therein and inserting in its place the phrase “refinancing of such Indebtedness by other Indebtedness that is permitted under Section 7.01 of this Agreement”.

**1.3 Amendments to Credit Agreement Effective on Commitment Increase Effective Date.** Simultaneously with the Commitment Increase Effective Date, the parties hereby agree that (a) the aggregate Commitments of each of the Lenders under the Credit Agreement shall be increased by the respective amount specified on the schedule attached as Annex A hereto and (b) in order to effect such increase, Schedule 2.01 to the Credit Agreement shall be deleted and replaced in its entirety by the corresponding Schedule 2.01 attached as Annex B hereto.

#### **1.4 Assignments and Allocations.**

(a) Simultaneously with the Commitment Increase Effective Date, the parties hereby agree that (i) the Revolving Commitment of each of the Revolving Lenders under the Credit Agreement shall be as set forth in Schedule 2.01 (as amended hereby), the outstanding amount of the Revolving Loans (as defined in and under the Credit Agreement, without giving effect to any Revolving Borrowings of Revolving Loans under the Credit Agreement on the Commitment Increase Effective Date, but after giving effect to any repayment or reduction thereof with the proceeds of any applicable sources) shall be reallocated in accordance with such Revolving Commitments and the requisite assignments shall be deemed to be made in such amounts by and between the Revolving Lenders and from each Revolving Lender to each other Revolving Lender (including to Revolving Lenders who increase their Revolving Commitments in connection with this Amendment), with the same force and effect as if such assignments were evidenced by applicable Assignments and Assumptions (as defined in the Credit Agreement) under the Credit Agreement



but without the payment of any related assignment fee, and no other documents or instruments shall be, or shall be required to be, executed in connection with such assignments (all of which requirements are hereby waived), (ii) the New Vehicle Floorplan Commitment of each of the New Vehicle Floorplan Lenders under the Credit Agreement shall be as set forth in Schedule 2.01 (as amended hereby), the outstanding amount of the New Vehicle Floorplan Loans (as defined in and under the Credit Agreement, without giving effect to any New Vehicle Floorplan Borrowings of New Vehicle Floorplan Loans under the Credit Agreement on the Commitment Increase Effective Date, but after giving effect to any repayment or reduction thereof with the proceeds of any applicable sources) shall be reallocated in accordance with such New Vehicle Floorplan Commitments and the requisite assignments shall be deemed to be made in such amounts by and between the New Vehicle Floorplan Lenders and from each New Vehicle Floorplan Lender to each other New Vehicle Floorplan Lender (including to New Vehicle Floorplan Lenders who increase their New Vehicle Floorplan Commitments in connection with this Amendment), with the same force and effect as if such assignments were evidenced by applicable Assignments and Assumptions (as defined in the Credit Agreement) under the Credit Agreement but without the payment of any related assignment fee, and no other documents or instruments shall be, or shall be required to be, executed in connection with such assignments (all of which requirements are hereby waived), and (iii) the Used Vehicle Floorplan Commitment of each of the Used Vehicle Floorplan Lenders under the Credit Agreement shall be as set forth in Schedule 2.01 (as amended hereby), the outstanding amount of the Used Vehicle Floorplan Loans (as defined in and under the Credit Agreement, without giving effect to any Used Vehicle Floorplan Borrowings of Used Vehicle Floorplan Loans under the Credit Agreement on the Commitment Increase Effective Date, but after giving effect to any repayment or reduction thereof with the proceeds of any applicable sources) shall be reallocated in accordance with such Used Vehicle Floorplan Commitments and the requisite assignments shall be deemed to be made in such amounts by and between the Used Vehicle Floorplan Lenders and from each Used Vehicle Floorplan Lender to each other Used Vehicle Floorplan Lender (including to Used Vehicle Floorplan Lenders who increase their Used Vehicle Floorplan Commitments in connection with this Amendment), with the same force and effect as if such assignments were evidenced by applicable Assignments and Assumptions (as defined in the Credit Agreement) under the Credit Agreement but without the payment of any related assignment fee, and no other documents or instruments, shall be, or shall be required to be, executed in connection with such assignments (all of which requirements are hereby waived).

(b) On the Commitment Increase Effective Date, the applicable Lenders shall make full cash settlement with one another, in each case through the Administrative Agent, as the Administrative Agent may direct or approve, with respect to all assignments, reallocations and other changes in Commitments, such that after giving effect to such settlements, each Lender's Applicable Percentage of the Aggregate Commitments equals (with customary rounding) its Applicable Percentage of the Outstanding Amount of all Loans.

(c) The increase in Commitments pursuant to this Amendment is not an exercise of Section 2.22 of the Credit Agreement; and notwithstanding Section 2.22 of the Credit Agreement, the increase in Commitments pursuant to this Amendment is not required to be allocated among the Facilities in approximately the same ratio as the Commitments existing between the Facilities as of the original Closing Date. However, nothing contained herein shall modify or alter such requirement of Section 2.22 of the Credit Agreement in the event the Company requests a separate increase in Commitments pursuant to Section 2.22 of the Credit Agreement at any time after the date hereof. For the avoidance of doubt, the increase in Commitments pursuant to this Amendment shall not occur unless the Commitment Increase Effective Date has occurred.

(d) In the event of any assignment of a Commitment by a Lender, any increase in Commitments pursuant to Section 2.22 of the Credit Agreement, any reduction in Commitments pursuant

to Section 2.14 of the Credit Agreement, any conversion of Aggregate Revolving Commitments to Aggregate New Vehicle Floorplan Commitments or Aggregate Used Vehicle Floorplan Commitments pursuant to Section 2.14 of the Credit Agreement or any conversion of Aggregate New Vehicle Floorplan Commitments or Aggregate Used Vehicle Floorplan Commitments to Aggregate Revolving Commitments pursuant to Section 2.14 of the Credit Agreement between the First Amendment Effective Date and the Commitment Increase Effective Date, the Company, each other Loan Party and each Consenting Lender agrees that the Administrative Agent shall modify Schedule 2.01 as appropriate to reflect any such assignments, increases, reductions or conversions, as applicable, and the Company, each other Loan Party and each Consenting Lender authorizes the Administrative Agent to so modify Schedule 2.01 and attach Schedule 2.01 (as so modified) to this Amendment.

## SECTION 2 - CONDITIONS PRECEDENT TO EFFECTIVENESS

**2.1** This Amendment (other than the amendments contained in Sections 1.3 and 1.4 of this Amendment) shall become effective upon the satisfaction or waiver by the Administrative Agent and Consenting Lenders of the following condition precedent (the date of such satisfaction or waiver, the "First Amendment Effective Date"): the Administrative Agent's receipt of executed counterparts of this Amendment from the Administrative Agent, the Borrowers, the Guarantors, the Required Lenders and each Lender increasing any of its Commitments pursuant to this Amendment, in each case sufficient in number for distribution to the Administrative Agent, the Administrative Agent's counsel and the Company.

**2.2** The amendments contained in Sections 1.3 and 1.4 of this Amendment shall only be effective upon the satisfaction or waiver by the Administrative Agent and Consenting Lenders of each of the following conditions precedent (the date of such satisfaction or waiver, the "Commitment Increase Effective Date") (in addition to the condition set forth in Section 2.1(a) of this Amendment):

(a) The Administrative Agent's receipt of all documents, and evidence reasonably satisfactory to the Administrative Agent that all other actions have been taken, in each case required by Sections 2.24, 2.25 and 6.14 of the Credit Agreement with respect to any Subsidiary that (a) did not execute the Credit Agreement on the Closing Date as a New Vehicle Borrower and Used Vehicle Borrower and (b) will acquire assets in connection with the Project Star Acquisition (each a "New Restricted Subsidiary"), each in form and substance satisfactory to the Administrative Agent and each of the Lenders.

(b) The Administrative Agent's receipt of the following, each of which (in the case of clauses (ii), (iii), (v), (vi), (vii), (viii), (ix), and (xiv)), shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each of which (in the case of clauses (ii), (iii), (vi), (vii), (viii), (ix), and (xiv)), shall be properly executed by a Responsible Officer of the signing Loan Party, each dated the Commitment Increase Effective Date (or, in the case of certificates of governmental officials or the items referred to in clauses (iv) and (x) through (xiv) below, a recent date before the Commitment Increase Effective Date) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) evidence that all insurance required to be maintained with respect to each New Restricted Subsidiary pursuant to the Loan Documents has been obtained and is in effect, including endorsements naming the Administrative Agent (on behalf of the Secured Parties) as an additional insured or lender's loss payee, as the case may be, on all insurance policies maintained with respect to properties of such New Restricted Subsidiary constituting part of the Collateral:

(ii) (A) a Revolving Note executed by the Company in favor of each Lender requesting a Revolving Note, (B) a New Vehicle Floorplan Note executed by the New Vehicle

Borrowers in favor of each Lender requesting a New Vehicle Floorplan Note, and (C) a Used Vehicle Floorplan Note executed by the Used Vehicle Borrowers in favor of each Lender requesting a Used Vehicle Floorplan Note;

(iii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Amendment and the other Loan Documents to which such Loan Party is a party;

(iv) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that such Loan Party is validly existing, in good standing and qualified to engage in business in the jurisdiction of its organization or formation, and each other jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(v) a favorable opinion of Jones Day, counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, in form and substance reasonably satisfactory to the Administrative Agent;

(vi) a certificate signed by a Responsible Officer of the Company certifying that the conditions specified in Sections 2.2(c) and (d) have been satisfied);

(vii) a Pro Forma Compliance Certificate in form and substance satisfactory to the Administrative Agent demonstrating compliance with the financial covenants as of the last day of the fiscal quarter of the Company most recently ended prior to the date of execution of the Project Star Acquisition Agreement for which financial statements have been delivered pursuant to Section 6.01(a) or (b) of the Credit Agreement, giving pro forma effect to the Project Star Acquisition and the Project Star Acquisition Indebtedness (assuming the entire principal amount thereof is fully funded) signed by a Responsible Officer of the Company;

(viii) a duly completed Pro Forma Revolving Borrowing Base Certificate in form and substance reasonably satisfactory to the Administrative Agent dated as of the Commitment Increase Effective Date certifying as to the Revolving Borrowing Base as of December 31, 2019, giving pro forma effect to the Project Star Acquisition and the Project Star Acquisition Indebtedness (assuming the entire principal amount thereof is fully funded) signed by a Responsible Officer of the Company;

(ix) a duly completed Pro Forma Used Vehicle Floorplan Borrowing Base Certificate, in form and substance reasonably satisfactory to the Administrative Agent dated as of the Commitment Increase Effective Date certifying as to the Used Vehicle Floorplan Borrowing Base as of the last day of the most recently ending month, giving pro forma effect to the Project Star Acquisition and the Project Star Acquisition Indebtedness (assuming the entire principal amount thereof is fully funded) signed by a Responsible Officer of the Company;

(x) pro forma consolidated balance sheets for the Company and each Subsidiary as of December 31, 2019, and the related consolidated statements of income or operations, all in reasonable detail prepared by management of the Company, giving pro forma effect to the Project

Star Acquisition and the Project Star Acquisition Indebtedness (assuming the entire principal amount thereof is fully funded);

(xi) forecasts (including assumptions) prepared by the management of the Company of consolidated balance sheets, income statements and cash flow statements for the Company and its Subsidiaries, in each case in form and substance reasonably satisfactory to the Administrative Agent for each of the first five fiscal years following the Commitment Increase Effective Date;

(xii) UCC search results with respect to the Project Star Sellers and New Restricted Subsidiaries showing only Liens acceptable to the Administrative Agent (or pursuant to which arrangements reasonably satisfactory to the Administrative Agent shall have been made to remove any unacceptable Liens on or prior to the Commitment Increase Effective Date);

(xiii) with respect to any Eligible Borrowing Base Real Estate that is reflected in the Revolving Borrowing Base Certificate delivered pursuant to clause (xi) above, each of the following, in form and substance reasonably acceptable to the Administrative Agent: (A) a FIRREA-conforming appraisal, (B) a Phase I (and, if reasonably requested by the Administrative Agent, a Phase II) environmental report for such property, and (C) such other reports or certifications as related to such Eligible Borrowing Base Real Estate as the Administrative Agent may reasonably request;

(xiv) if any New Restricted Subsidiary has a service loaner program with any Manufacturer or financial affiliate of a Manufacturer, a Service Loaner Intercreditor Agreement with respect to such program; and

(xv) evidence that the Project Star Acquisition has been consummated on or prior to the Commitment Increase Effective Date in accordance with the Project Star Acquisition Documents and all applicable requirements of law, without giving effect to any amendments, consents or waivers by the Company that are materially adverse to the Administrative Agent or the Lenders without the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld, delayed or conditioned) (it being understood that (a) any reduction in the purchase price of, or consideration for, the Acquisition is not material and adverse to the interests of the Administrative Agent or the Lenders, so long as such reduction in the cash consideration is less than 10.0% of the original purchase price and (b) any amendment to the definition of "Material Adverse Effect" is materially adverse to the interests of Administrative Agent and the Lenders).

(c) The representations and warranties made by each Loan Party in Article V of the Credit Agreement and in each of the other Loan Documents to which such Loan Party is a party shall be true and correct in all material respects (or if qualified by materiality or Material Adverse Effect, in all respects) on and as of the Commitment Increase Effective Date, both immediately before and after giving effect to the Project Star Acquisition and the Project Star Acquisition Indebtedness, except to the extent that such representations and warranties expressly relate to an earlier date in which case they shall be true and correct in all material respects (or if qualified by materiality or Material Adverse Effect, in all respects) as of such earlier date.

(d) No Default or Event of Default shall have occurred and be continuing as of the Commitment Increase Effective Date, both immediately before and after giving effect to the Project Star Acquisition and the Project Star Acquisition Indebtedness.

(e) There has been no event or circumstance since the date of execution of the Project Star Acquisition Agreement that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect (as defined in the Project Star Acquisition Agreement).

(f) (i) Upon the reasonable request of any Lender made at least ten (10) Business Days prior to the Commitment Increase Effective Date, the Borrower shall have provided to such Lender, and such Lender shall be reasonably satisfied with, the documentation and other information so requested in connection with applicable “know your customer” and anti-money-laundering rules and regulations, including, without limitation, the Act, in each case at least three (3) Business Days prior to the Commitment Increase Effective Date and (ii) at least three (3) Business Days prior to the Commitment Increase Effective Date, any Loan Party that qualifies as a “legal entity customer” under the Beneficial Ownership Regulation shall have delivered, to each Lender that so requests, a Beneficial Ownership Certification in relation to such Loan Party.

(g) Any fees required to be paid on or before the Commitment Increase Effective Date shall have been paid.

(h) The Company shall have paid all accrued fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent invoiced prior to or on the Commitment Increase Effective Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

(i) The Total Revolving Outstandings shall not exceed the lesser of the Aggregate Revolving Commitments and the Revolving Borrowing Base (such Total Revolving Outstandings and Revolving Borrowing Base being calculated on a pro forma basis as if the Project Star Acquisition has occurred and the Project Star Acquisition Indebtedness has been incurred (assuming the entire principal amount thereof was fully funded) on the date of the most recent Revolving Borrowing Base Certificate delivered pursuant to Section 6.02(a)(i)), as evidenced by a Pro Forma Revolving Borrowing Base Certificate received by the Administrative Agent.

(j) The Total Used Vehicle Floorplan Outstandings shall not exceed the lesser of the Aggregate Used Vehicle Floorplan Commitments and the Used Vehicle Floorplan Borrowing Base (such Total Used Vehicle Floorplan Outstandings and Used Vehicle Floorplan Borrowing Base being calculated on a pro forma basis as if the Project Star Acquisition has occurred and the Project Star Acquisition Indebtedness has been incurred (assuming the entire principal amount thereof was fully funded) on the date of the most recent Used Vehicle Floorplan Borrowing Base Certificate delivered pursuant to Section 6.02(b)), as evidenced by a Pro Forma Used Vehicle Floorplan Borrowing Base Certificate received by the Administrative Agent.

(k) Borrowers shall deliver to the Administrative Agent evidence satisfactory to the Administrative Agent that the Designated Escrow Subsidiary has been (or will be contemporaneously with the Commitment Increase Effective Date) merged with and into the Company with the Company as the continuing or surviving Person.

## SECTION 3 - MISCELLANEOUS

**3.1 Binding Effect.** This Amendment shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of Lender.

**3.2 Affirmation of Borrowers and Guarantors.** Each Borrower and each Guarantor hereby (a) consents to the amendments and modifications to the Credit Agreement effected hereby, and (b) confirms and agrees that, notwithstanding the effectiveness of this Amendment, each Loan Document to which such Borrower or such Guarantor, as applicable, is a party is, and the obligations of such Borrower or such Guarantor, as applicable, contained in the Credit Agreement, as amended and modified hereby, or in any other Loan Documents to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended and modified by this Amendment. Without limiting the generality of the foregoing, the execution of this Amendment shall not constitute a novation or discharge of, any obligation of any Loan Party under the Credit Agreement or any other Loan Document, and each Loan Party agrees that the Security Instruments and any other documents or instruments executed, filed or recorded in connection therewith, shall remain outstanding and in full force and effect, and all of the Collateral described therein and Liens granted in favor of the Administrative Agent created thereunder do and shall continue to secure the Obligations and the “Obligations”, “Guaranteed Obligations” or “Secured Obligations” (as those terms are defined in the Company Guaranty and the Subsidiary Guaranty) and any other obligations to the extent provided in the Security Instruments and that all such Liens continue to be perfected as security for the Obligations and the “Obligations”, “Guaranteed Obligations” or “Secured Obligations” (as those terms are defined in the Company Guaranty and the Subsidiary Guaranty) and any other obligations secured thereby.

### **3.3 Representations and Warranties.**

(a) This Amendment has been duly authorized, executed and delivered by each of the other Loan Parties party hereto and constitutes a legal, valid and binding obligation of each such party, except as may be limited by general principles of equity or by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors’ rights generally.

(b) The representations and warranties made by each Loan Party in Article V of the Credit Agreement and in each of the other Loan Documents to which such Loan Party is a party are true and correct in all material respects (or if qualified by materiality or Material Adverse Effect, in all respects) on and as of the First Amendment Effective Date, except to the extent that such representations and warranties expressly relate to an earlier date in which case they are true and correct in all material respects (or if qualified by materiality or Material Adverse Effect, in all respects) as of such earlier date.

(c) No Default or Event of Default has occurred and is continuing as of the First Amendment Effective Date.

(d) There has been no event or circumstance since the date of execution of the Project Star Acquisition Agreement that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect (as defined in the Project Star Acquisition Agreement).

**3.4 Severability.** In case any provision in or obligation hereunder shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

### **3.5 Reference to and Effect on Credit Agreement and the Loan Documents.**

(a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement, and each reference in the Notes and each of the other Loan Documents to “the Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended and modified by this Amendment and as further amended, restated or modified from time to time in accordance with the terms thereof.

(b) The Credit Agreement and each of the other Loan Documents, as specifically amended and modified by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver or novation of any right, power or remedy of any Lender, L/C Issuer, Revolving Swing Line Lender, New Vehicle Floorplan Swing Line Lender, Used Vehicle Floorplan Swing Line Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver or novation of any provision of any of the Loan Documents.

(d) The Administrative Agent, the Lenders and the Loan Parties agree that this Amendment shall be a Loan Document for all purposes of the Credit Agreement (as specifically amended by this Amendment) and the other Loan Documents.

**3.6 No Waiver.** The execution, delivery and performance of this Amendment shall not, except as expressly provided herein, constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of the Lender under the Credit Agreement. This Amendment is limited to the matters expressly referred to herein and shall not constitute an amendment or waiver of, or an indication of the Lender's willingness to amend or waive, any other provisions of the Credit Agreement or the same provisions for any other date or purpose.

**3.7 Waiver, Modification, Etc.** No provision or term of this Amendment may be modified, altered, waived, discharged or terminated orally, but only by an instrument in writing executed by the party against whom such modification, alteration, waiver, discharge or termination is sought to be enforced.

**3.8 Headings.** Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

**3.9 GOVERNING LAW.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

**3.10 Counterparts.** This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of an executed signature page of this Amendment by facsimile transmission or electronic mail shall be as effective as delivery of a manually executed counterpart hereof.

**3.11 Notice of Acquisition.** This Amendment shall serve as written notice pursuant to Section 7.19 of the Credit Agreement that the proposed date of the Project Star Acquisition shall be on or before April 30, 2020 and the expected Cost of Acquisition is approximately \$1,325,000,000.

*(Signature Pages Follow)*



IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

**ASBURY AUTOMOTIVE GROUP, INC.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Vice President and Treasurer

**NEW VEHICLE BORROWERS:**

**ASBURY AR NISS L.L.C.  
ASBURY ATLANTA AC L.L.C.  
ASBURY ATLANTA AU L.L.C.  
ASBURY ATLANTA BM L.L.C.  
ASBURY ATLANTA CHEV, LLC  
ASBURY ATLANTA HON L.L.C.  
ASBURY ATLANTA HUND L.L.C.  
ASBURY ATLANTA INF L.L.C.  
ASBURY ATLANTA INFINITI L.L.C.  
ASBURY ATLANTA K L.L.C.  
ASBURY ATLANTA LEX L.L.C.  
ASBURY ATLANTA NIS L.L.C.  
ASBURY ATLANTA NIS II, LLC  
ASBURY ATLANTA TOY L.L.C.  
ASBURY ATLANTA TOY 2 L.L.C.  
ASBURY ATLANTA VB L.L.C.  
ASBURY AUTOMOTIVE BRANDON, L.P.  
ASBURY AUTOMOTIVE ST. LOUIS, L.L.C.  
ASBURY AUTOMOTIVE WEST, LLC  
ASBURY CH MOTORS L.L.C.  
ASBURY DELAND HUND, LLC  
ASBURY GEORGIA TOY, LLC  
ASBURY IN CBG, LLC  
ASBURY IN CDJ, LLC  
ASBURY IN CHEV, LLC  
ASBURY IN FORD, LLC  
ASBURY IN HON, LLC  
ASBURY IN TOY, LLC  
ASBURY INDY CHEV, LLC  
ASBURY JAX AC, LLC**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

**NEW VEHICLE BORROWERS, continued:**

**ASBURY JAX HON L.L.C.  
ASBURY MS CHEV L.L.C.  
ASBURY SC JPV L.L.C.  
ASBURY SC LEX L.L.C.  
ASBURY SC TOY L.L.C.  
ASBURY ST. LOUIS LEX L.L.C.  
ASBURY ST. LOUIS LR L.L.C.  
ASBURY ST. LOUIS M L.L.C.  
ASBURY-DELAND IMPORTS, L.L.C.  
AVENUES MOTORS, LTD.  
BFP MOTORS L.L.C.  
CFP MOTORS L.L.C.  
CH MOTORS L.L.C.  
CHO PARTNERSHIP, LTD.  
CN MOTORS L.L.C.  
COGGIN CARS L.L.C.  
COGGIN CHEVROLET L.L.C.  
CROWN CHH L.L.C.  
CROWN FDO L.L.C.  
CROWN GAC L.L.C.  
CROWN GBM L.L.C.  
CROWN GDO L.L.C.  
CROWN GHO L.L.C.  
CROWN GNI L.L.C.  
CROWN GVO L.L.C.  
CROWN MOTORCAR COMPANY L.L.C.  
CROWN PBM L.L.C.  
CROWN RIA L.L.C.  
CROWN RIB L.L.C.  
CROWN SNI L.L.C.  
CSA IMPORTS L.L.C.  
ESCUDE-NN L.L.C.  
ESCUDE-NS L.L.C.  
ESCUDE-T L.L.C.  
HFP MOTORS L.L.C.  
KP MOTORS L.L.C.  
MCDAVID AUSTIN-ACRA, L.L.C.  
MCDAVID FRISCO-HON, L.L.C.  
MCDAVID HOUSTON-NISS, L.L.C.  
MCDAVID IRVING-HON, L.L.C.  
MCDAVID PLANO-ACRA, L.L.C.  
NP MZD L.L.C.  
NP VKW L.L.C.**

By: /s/ Matthew Pettoni

Typed Name: Matthew Pettoni

Typed Title: Treasurer

**NEW VEHICLE BORROWERS, continued:**

**PRECISION INFINITI, INC.  
PRECISION MOTORCARS, INC.  
PRECISION NISSAN, INC.  
PREMIER NSN L.L.C.  
PREMIER PON L.L.C.  
PRESTIGE BAY L.L.C.  
PRESTIGE TOY L.L.C.  
Q AUTOMOTIVE BRANDON FL, LLC  
Q AUTOMOTIVE CUMMING GA, LLC  
Q AUTOMOTIVE FT. MYERS FL, LLC  
Q AUTOMOTIVE HOLIDAY FL, LLC  
Q AUTOMOTIVE JACKSONVILLE FL, LLC  
Q AUTOMOTIVE KENNESAW GA, LLC  
Q AUTOMOTIVE ORLANDO FL, LLC  
Q AUTOMOTIVE TAMPA FL, LLC  
TAMPA HUND, L.P.  
TAMPA KIA, L.P.  
WTY MOTORS, L.P.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

**ASBURY CO SUB, LLC  
ASBURY CO CDJR, LLC**

By: /s/ David W. Hult  
Typed Name: David W. Hult  
Typed Title: President and Chief Executive Officer

**USED VEHICLE BORROWERS:**

**ASBURY AUTOMOTIVE GROUP, INC.**

By: /s/ Matthew Pettoni

Typed Name: Matthew Pettoni

Typed Title: Vice President and Treasurer

**AF MOTORS, L.L.C.  
ASBURY AR NISS L.L.C.  
ASBURY ATLANTA AC L.L.C.  
ASBURY ATLANTA AU L.L.C.  
ASBURY ATLANTA BM L.L.C.  
ASBURY ATLANTA CHEV, LLC  
ASBURY ATLANTA FORD, LLC  
ASBURY ATLANTA HON L.L.C.  
ASBURY ATLANTA HUND L.L.C.  
ASBURY ATLANTA INF L.L.C.  
ASBURY ATLANTA INFINITI L.L.C.  
ASBURY ATLANTA K L.L.C.  
ASBURY ATLANTA LEX L.L.C.  
ASBURY ATLANTA NIS L.L.C.  
ASBURY ATLANTA NIS II, LLC  
ASBURY ATLANTA TOY L.L.C.  
ASBURY ATLANTA TOY 2 L.L.C.  
ASBURY ATLANTA VB L.L.C.  
ASBURY AUTOMOTIVE BRANDON, L.P.  
ASBURY AUTOMOTIVE ST. LOUIS, L.L.C.  
ASBURY AUTOMOTIVE WEST, LLC  
ASBURY CH MOTORS L.L.C.  
ASBURY DELAND HUND, LLC  
ASBURY FT. WORTH FORD, LLC  
ASBURY GEORGIA TOY, LLC  
ASBURY IN CBG, LLC  
ASBURY IN CDJ, LLC  
ASBURY IN CHEV, LLC  
ASBURY IN FORD, LLC  
ASBURY IN HON, LLC  
ASBURY IN TOY, LLC**

By: /s/ Matthew Pettoni

Typed Name: Matthew Pettoni

Typed Title: Treasurer

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**USED VEHICLE BORROWERS, continued:**

**ASBURY INDY CHEV, LLC  
ASBURY JAX AC, LLC  
ASBURY JAX FORD, LLC  
ASBURY JAX HON L.L.C.  
ASBURY MS CHEV L.L.C.  
ASBURY MS GRAY-DANIELS L.L.C.  
ASBURY SC JPV L.L.C.  
ASBURY SC LEX L.L.C.  
ASBURY SC TOY L.L.C.  
ASBURY ST. LOUIS LEX L.L.C.  
ASBURY ST. LOUIS LR L.L.C.  
ASBURY ST. LOUIS M L.L.C.  
ASBURY-DELAND IMPORTS, L.L.C.  
AVENUES MOTORS, LTD.  
BFP MOTORS L.L.C.  
CFP MOTORS L.L.C.  
CH MOTORS L.L.C.  
CHO PARTNERSHIP, LTD.  
CN MOTORS L.L.C.  
COGGIN CARS L.L.C.  
COGGIN CHEVROLET L.L.C.  
CROWN CHH L.L.C.  
CROWN FDO L.L.C.  
CROWN FFO L.L.C.  
CROWN GAC L.L.C.  
CROWN GBM L.L.C.  
CROWN GDO L.L.C.  
CROWN GH0 L.L.C.  
CROWN GNI L.L.C.  
CROWN GVO L.L.C.  
CROWN MOTORCAR COMPANY L.L.C.  
CROWN PBM L.L.C.  
CROWN RIA L.L.C.  
CROWN RIB L.L.C.  
CROWN SNI L.L.C.  
CSA IMPORTS L.L.C.  
ESCUDE-NN L.L.C.  
ESCUDE-NS L.L.C.  
ESCUDE-T L.L.C.  
HFP MOTORS L.L.C.  
KP MOTORS L.L.C.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

**MCDavid AUSTIN-ACRA, L.L.C.  
MCDavid FRISCO-HON, L.L.C.  
MCDavid HOUSTON-NISS, L.L.C.  
MCDavid IRVING-HON, L.L.C.  
MCDavid PLANO-ACRA, L.L.C.  
NP FLM L.L.C.  
NP MZD L.L.C.  
NP VKW L.L.C.  
PLANO LINCOLN-MERCURY, INC.  
PRECISION INFINITI, INC.  
PRECISION MOTORCARS, INC.  
PRECISION NISSAN, INC.  
PREMIER NSN L.L.C.  
PREMIER PON L.L.C.  
PRESTIGE BAY L.L.C.  
PRESTIGE TOY L.L.C.  
Q AUTOMOTIVE BRANDON FL, LLC  
Q AUTOMOTIVE CUMMING GA, LLC  
Q AUTOMOTIVE FT. MYERS FL, LLC  
Q AUTOMOTIVE HOLIDAY FL, LLC  
Q AUTOMOTIVE JACKSONVILLE FL, LLC  
Q AUTOMOTIVE KENNESAW GA, LLC  
Q AUTOMOTIVE ORLANDO FL, LLC  
Q AUTOMOTIVE TAMPA FL, LLC  
TAMPA HUND, L.P.  
TAMPA KIA, L.P.  
WTY MOTORS, L.P.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

**ASBURY CO SUB, LLC  
ASBURY CO CDJR, LLC**

By: /s/ David W. Hult  
Typed Name: David W. Hult  
Typed Title: President and Chief Executive Officer

**GUARANTORS:**

**ASBURY AUTOMOTIVE GROUP, INC.**

By: /s/ Matthew Pettoni

Typed Name: Matthew Pettoni

Typed Title: Vice President and Treasurer

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**SUBSIDIARY GUARANTORS:**

**AF MOTORS, L.L.C.  
ANL, L.P.  
ARKANSAS AUTOMOTIVE SERVICES, L.L.C.  
ASBURY AR NISS L.L.C.  
ASBURY ATLANTA AC L.L.C.  
ASBURY ATLANTA AU L.L.C.  
ASBURY ATLANTA BM L.L.C.  
ASBURY ATLANTA CHEV, LLC  
ASBURY ATLANTA CHEVROLET L.L.C.  
ASBURY ATLANTA FORD, LLC  
ASBURY ATLANTA HON L.L.C.  
ASBURY ATLANTA HUND L.L.C.  
ASBURY ATLANTA INF L.L.C.  
ASBURY ATLANTA INFINITI L.L.C.  
ASBURY ATLANTA JAGUAR L.L.C.  
ASBURY ATLANTA K L.L.C.  
ASBURY ATLANTA LEX L.L.C.  
ASBURY ATLANTA NIS II, LLC  
ASBURY ATLANTA NIS L.L.C.  
ASBURY ATLANTA TOY 2 L.L.C.  
ASBURY ATLANTA TOY L.L.C.  
ASBURY ATLANTA VB L.L.C.  
ASBURY ATLANTA VL L.L.C.  
ASBURY AUTOMOTIVE ARKANSAS DEALERSHIP HOLDINGS L.L.C.  
ASBURY AUTOMOTIVE ARKANSAS L.L.C.  
ASBURY AUTOMOTIVE ATLANTA II L.L.C.  
ASBURY AUTOMOTIVE ATLANTA L.L.C.  
ASBURY AUTOMOTIVE BRANDON, L.P.  
ASBURY AUTOMOTIVE CENTRAL FLORIDA, L.L.C.  
ASBURY AUTOMOTIVE DELAND, L.L.C.  
ASBURY AUTOMOTIVE FRESNO L.L.C.  
ASBURY AUTOMOTIVE GROUP L.L.C.  
ASBURY AUTOMOTIVE JACKSONVILLE GP L.L.C.  
ASBURY AUTOMOTIVE JACKSONVILLE, L.P.  
ASBURY AUTOMOTIVE MANAGEMENT L.L.C.  
ASBURY AUTOMOTIVE MISSISSIPPI L.L.C.  
ASBURY AUTOMOTIVE NORTH CAROLINA DEALERSHIP HOLDINGS L.L.C.  
ASBURY AUTOMOTIVE NORTH CAROLINA L.L.C.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page



**SUBSIDIARY GUARANTORS, continued:**

ASBURY AUTOMOTIVE NORTH CAROLINA MANAGEMENT L.L.C.  
ASBURY AUTOMOTIVE NORTH CAROLINA REAL ESTATE HOLDINGS L.L.C.  
ASBURY AUTOMOTIVE OREGON L.L.C.  
ASBURY AUTOMOTIVE SOUTHERN CALIFORNIA L.L.C.  
ASBURY AUTOMOTIVE ST. LOUIS II L.L.C.  
ASBURY AUTOMOTIVE ST. LOUIS, L.L.C.  
ASBURY AUTOMOTIVE TAMPA GP L.L.C.  
ASBURY AUTOMOTIVE TAMPA, L.P.  
ASBURY AUTOMOTIVE TEXAS L.L.C.  
ASBURY AUTOMOTIVE TEXAS REAL ESTATE HOLDINGS L.L.C.  
ASBURY AUTOMOTIVE WEST, LLC  
ASBURY CH MOTORS L.L.C.  
ASBURY DELAND HUND, LLC  
ASBURY DELAND IMPORTS 2, L.L.C.  
ASBURY FRESNO IMPORTS L.L.C.  
ASBURY FT. WORTH FORD, LLC  
ASBURY GEORGIA TOY, LLC  
ASBURY IN CBG, LLC  
ASBURY IN CDJ, LLC  
ASBURY IN CHEV, LLC  
ASBURY IN FORD, LLC  
ASBURY IN HON, LLC  
ASBURY IN TOY, LLC  
ASBURY INDY CHEV, LLC  
ASBURY JAX AC, LLC  
ASBURY JAX FORD, LLC  
ASBURY JAX HOLDINGS, L.P.  
ASBURY JAX HON L.L.C.  
ASBURY JAX K L.L.C.  
ASBURY JAX MANAGEMENT L.L.C.  
ASBURY JAX VW L.L.C.  
ASBURY MS CHEV L.L.C.  
ASBURY MS GRAY-DANIELS L.L.C.  
ASBURY NO CAL NISS L.L.C.  
ASBURY SACRAMENTO IMPORTS L.L.C.  
ASBURY SC JPV L.L.C.  
ASBURY SC LEX L.L.C.  
ASBURY SC TOY L.L.C.

By: /s/ Matthew Pettoni

Typed Name: Matthew Pettoni

Typed Title: Treasurer

**SUBSIDIARY GUARANTORS, continued:**

**ASBURY SO CAL DC L.L.C.  
ASBURY SO CAL HON L.L.C.  
ASBURY SO CAL NISS L.L.C.  
ASBURY SOUTH CAROLINA REAL ESTATE HOLDINGS L.L.C.  
ASBURY ST. LOUIS CADILLAC L.L.C.  
ASBURY ST. LOUIS FSKR, L.L.C.  
ASBURY ST. LOUIS LEX L.L.C.  
ASBURY ST. LOUIS LR L.L.C.  
ASBURY ST. LOUIS M L.L.C.  
ASBURY TAMPA MANAGEMENT L.L.C.  
ASBURY TEXAS D FSKR, L.L.C.  
ASBURY TEXAS H FSKR, L.L.C.  
ASBURY-DELAND IMPORTS, L.L.C.  
ATLANTA REAL ESTATE HOLDINGS L.L.C.  
AVENUES MOTORS, LTD.  
BAYWAY FINANCIAL SERVICES, L.P.  
BFP MOTORS L.L.C.  
C & O PROPERTIES, LTD.  
CAMCO FINANCE II L.L.C.  
CFP MOTORS L.L.C.  
CH MOTORS L.L.C.  
CHO PARTNERSHIP, LTD.  
CK CHEVROLET L.L.C.  
CK MOTORS LLC  
CN MOTORS L.L.C.  
COGGIN AUTOMOTIVE CORP.  
COGGIN CARS L.L.C.  
COGGIN CHEVROLET L.L.C.  
COGGIN MANAGEMENT, L.P.  
CP-GMC MOTORS L.L.C.  
CROWN ACURA/NISSAN, LLC  
CROWN CHH L.L.C.  
CROWN CHO L.L.C.  
CROWN CHV L.L.C.  
CROWN FDO L.L.C.  
CROWN FFO HOLDINGS L.L.C.  
CROWN FFO L.L.C.  
CROWN GAC L.L.C.  
CROWN GBM L.L.C.  
CROWN GCA L.L.C.  
CROWN GDO L.L.C.  
CROWN GHO L.L.C.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

**SUBSIDIARY GUARANTORS, continued:**

**CROWN GNI L.L.C.  
CROWN GPG L.L.C.  
CROWN GVO L.L.C.  
CROWN HONDA, LLC  
CROWN MOTORCAR COMPANY L.L.C.  
CROWN PBM L.L.C.  
CROWN RIA L.L.C.  
CROWN RIB L.L.C.  
CROWN SJC L.L.C.  
CROWN SNI L.L.C.  
CSA IMPORTS L.L.C.  
ESCUDE-NN L.L.C.  
ESCUDE-NS L.L.C.  
ESCUDE-T L.L.C.  
FLORIDA AUTOMOTIVE SERVICES L.L.C.  
HFP MOTORS L.L.C.  
JC DEALER SYSTEMS, LLC  
KP MOTORS L.L.C.  
MCDAVID AUSTIN-ACRA, L.L.C.  
MCDAVID FRISCO-HON, L.L.C.  
MCDAVID GRANDE, L.L.C.  
MCDAVID HOUSTON-HON, L.L.C.  
MCDAVID HOUSTON-NISS, L.L.C.  
MCDAVID IRVING-HON, L.L.C.  
MCDAVID OUTFITTERS, L.L.C.  
MCDAVID PLANO-ACRA, L.L.C.  
MID-ATLANTIC AUTOMOTIVE SERVICES, L.L.C.  
MISSISSIPPI AUTOMOTIVE SERVICES, L.L.C.  
MISSOURI AUTOMOTIVE SERVICES, L.L.C.  
NP FLM L.L.C.  
NP MZD L.L.C.  
NP VKW L.L.C.  
PLANO LINCOLN-MERCURY, INC.  
PRECISION COMPUTER SERVICES, INC.  
PRECISION ENTERPRISES TAMPA, INC.  
PRECISION INFINITI, INC.  
PRECISION MOTORCARS, INC.  
PRECISION NISSAN, INC.  
PREMIER NSN L.L.C.  
PREMIER PON L.L.C.  
PRESTIGE BAY L.L.C.  
PRESTIGE TOY L.L.C.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

**SUBSIDIARY GUARANTORS, continued:**

**Q AUTOMOTIVE BRANDON FL, LLC  
Q AUTOMOTIVE CUMMING GA, LLC  
Q AUTOMOTIVE FT. MYERS FL, LLC  
Q AUTOMOTIVE GROUP L.L.C.  
Q AUTOMOTIVE HOLIDAY FL, LLC  
Q AUTOMOTIVE JACKSONVILLE FL, LLC  
Q AUTOMOTIVE KENNESAW GA, LLC  
Q AUTOMOTIVE ORLANDO FL, LLC  
Q AUTOMOTIVE TAMPA FL, LLC  
SOUTHERN ATLANTIC AUTOMOTIVE SERVICES, L.L.C.  
TAMPA HUND, L.P.  
TAMPA KIA, L.P.  
TAMPA LM, L.P.  
TAMPA MIT, L.P.  
TEXAS AUTOMOTIVE SERVICES, L.L.C.  
THOMASON AUTO CREDIT NORTHWEST, INC.  
THOMASON DAM L.L.C.  
THOMASON FRD L.L.C.  
THOMASON HUND L.L.C.  
THOMASON PONTIAC-GMC L.L.C.  
WMZ MOTORS, L.P.  
WTY MOTORS, L.P.**

By: /s/ Matthew Pettoni  
Typed Name: Matthew Pettoni  
Typed Title: Treasurer

**ASBURY CO SUB, LLC  
ASBURY CO CDJR, LLC**

By: /s/ David W. Hult  
Typed Name: David W. Hult  
Typed Title: President and Chief Executive Officer

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**BANK OF AMERICA, N.A.,**  
as Administrative Agent

By: /s/ Linda Lov  
Typed Name: Linda Lov  
Typed Title: Assistant Vice President

**BANK OF AMERICA, N.A.,**  
as a Lender, an L/C Issuer, Revolving Swing Line Lender, New Vehicle Swing Line Lender  
and Used Vehicle Swing Line Lender

By: /s/ David T. Smith  
Typed Name: David T. Smith  
Typed Title: Senior Vice President

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**JPMORGAN CHASE BANK, N.A.,**  
as a Lender

By: /s/ Adam Sigman  
Typed Name: Adam Sigman  
Typed Title: Executive Director

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**WELLS FARGO BANK, NATIONAL ASSOCIATION**, as a Lender

By: /s/ Chad McNeill

Typed Name: Chad McNeill

Typed Title: Senior Vice-President

Asbury Automotive Group, Inc.

FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT

Signature Page

**TOYOTA MOTOR CREDIT CORPORATION,**  
as a Lender

By: /s/ Wade Osborne  
Typed Name: Wade Osborne  
Typed Title: National Account Manager

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page



**AMERICAN HONDA FINANCE CORPORATION,**  
as a Lender

By: /s/ John Johnston  
Typed Name: John Johnston  
Typed Title: DFS Sr. Manager

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**MERCEDES-BENZ FINANCIAL SERVICES USA LLC,**  
as a Lender

By: /s/ Michele Nowak  
Typed Name: Michele Nowak  
Typed Title: Credit Director, National Accounts

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**TRUIST BANK,**  
as a Lender

By: /s/ David M. Felty  
Typed Name: David M. Felty  
Typed Title: Managing Director

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**U.S. BANK NATIONAL ASSOCIATION,**  
as a Lender

By: /s/ Katherine Taylor  
Typed Name: Katherine Taylor  
Typed Title: Vice President

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**BMW FINANCIAL SERVICES NA, LLC,**  
as a Lender

By: /s/ Nicholas Capparuccini  
Typed Name: Nicholas Capparuccini  
Typed Title: Deputy for Alex Calcasola, Commercial Finance Credit Manager

By: /s/ Thomas Rumfola  
Typed Name: Thomas Rumfola  
Typed Title: General Manager, Commercial Finance Credit

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**MASS MUTUAL ASSET FINANCE LLC,**  
as a Lender

By: /s/ Don Butler  
Typed Name: Don Butler  
Typed Title: Senior Vice President

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
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**NISSAN MOTOR ACCEPTANCE CORPORATION,**  
as a Lender

By: /s/ Ashley Gammill  
Typed Name: Ashley Gammill  
Typed Title: Commercial Credit Manager

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page

**SANTANDER BANK, N.A.,**  
as a Lender

By: /s/ Jim Garland  
Typed Name: Jim Garland  
Typed Title: Senior Vice President

Asbury Automotive Group, Inc.  
FIRST AMENDMENT TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT  
Signature Page





**Investors & Reporters May Contact:**

Matt Pettoni  
VP of Finance & Treasurer  
(770) 418-8219  
ir@asburyauto.com

**ASBURY AUTOMOTIVE GROUP ANNOUNCES  
2019 FOURTH QUARTER AND FULL-YEAR FINANCIAL RESULTS**

**Record fourth quarter EPS of \$2.26 per diluted share,  
up 10% over prior year EPS**

**Record fourth quarter adjusted EPS of \$2.53 per diluted share  
(a non-GAAP measure), up 15% over prior year adjusted EPS**

**Record full-year EPS of \$9.55 per diluted share,  
up 15% over prior year EPS**

**Record full-year adjusted EPS of \$9.46 per diluted share  
(a non-GAAP measure), up 12% over prior year adjusted EPS**

DULUTH, GA, February 3, 2020 - Asbury Automotive Group, Inc. (NYSE: ABG), one of the largest automotive retail and service companies in the U.S., reported net income for the fourth quarter 2019 of \$43.6 million (\$2.26 per diluted share). This compares to net income of \$40.4 million (\$2.06 per diluted share) in the prior year quarter.

It also reported adjusted net income (a non-GAAP measure) for the fourth quarter 2019 of \$48.9 million (\$2.53 per diluted share) compared to \$43.2 million (\$2.20 per diluted share) in the prior year quarter, a 15% increase in adjusted earnings per share.

Net income for the fourth quarter 2019 was adjusted for a \$7.1 million pre-tax charge for franchise rights impairments (\$0.27 per diluted share), a \$0.6 million pre-tax charge for real estate related charges (\$0.03 per diluted share), and a \$0.6 million pre-tax gain from a legal settlement (\$0.03 per diluted share). Net income for the fourth quarter 2018 was adjusted for a \$3.7 million pre-tax charge for franchise rights impairments (\$0.14 per diluted share).

“We delivered a very strong quarter. We grew revenue 6%, increased used unit sales 15%, delivered 8% parts and service gross profit growth, grew F&I gross profit by 8%, and grew adjusted EPS 15%,” said David Hult, Asbury’s President and Chief Executive Officer. “During the quarter, we signed an agreement to acquire 20 Park Place luxury franchises in the Dallas Fort Worth Market. This acquisition will transform our total portfolio to 50% luxury stores and add approximately \$1.9 billion in expected annualized revenues. We believe these acquisitions coupled with our announced divestitures, will strategically make Asbury a stronger company.”

## Fourth Quarter 2019 Operational Summary

### Total company:

- Total revenue increased 6%; gross profit increased 7%
- Gross margin increased 10 basis points to 15.9%
- SG&A as a percentage of gross profit increased 10 basis points to 68.3%
- Adjusted operating margin increased 10 basis point to 4.6%
- Adjusted EPS increased 15%

### Same store:

- Total revenue increased 2%; gross profit increased 3%
- Gross margin increased 20 basis points to 16.0%
- New vehicle revenue decreased 3%; gross profit decreased 4%
- Used vehicle retail revenue increased 10%; gross profit increased 1%
- Finance and insurance revenue and gross profit increased 4%
- Parts and service revenue increased 5%; gross profit increased 4%

### Strategic Highlights:

- Signed an agreement to acquire 20 Park Place luxury franchises that we expect to close in March 2020, subject to customary closing conditions. We expect these dealerships to generate approximately \$1.9 billion in annualized revenue.
- Acquired a Chrysler Jeep Dodge Ram store in the Denver market in late January 2020. We expect this store to generate approximately \$124 million in annual revenues.
- Signed an agreement to divest all five stores in the Mississippi market that we expect to close in March 2020, subject to customary closing conditions. These dealerships generated approximately \$334 million in annualized revenue.
- Signed an agreement to divest our Nissan Atlanta store that we expect to close in February 2020, subject to customary closing conditions. This dealership generated approximately \$77 million in annualized revenue.

For the full year 2019, the Company reported net income of \$184.4 million (\$9.55 per diluted share) compared to \$168.0 million (\$8.28 per diluted share) in the prior year period. Adjusted net income (a non-GAAP measure) for 2019 was \$182.5 million (\$9.46 per diluted share) compared to \$170.8 million (\$8.41 per diluted share) in the prior year period, a 12% increase in adjusted EPS.

Additional commentary regarding the fourth quarter results will be provided during the earnings conference call on February 3, 2020 at 10:00 a.m. The conference call will be simulcast live on the internet and can be accessed at [www.asburyauto.com](http://www.asburyauto.com). A replay will be available at these sites for 30 days.

In addition, a live audio of the call will be accessible to the public by calling (800) 353-6461 (domestic), or (334) 323-0501 (international); passcode - 5777116. Callers should dial in approximately 5 to 10 minutes before the call begins.

A conference call replay will be available two hours following the call for seven days, and can be accessed by calling (888) 203-1112 (domestic), or (719) 457-0820 (international); passcode - 5777116.

### **About Asbury Automotive Group, Inc.**

Asbury Automotive Group, Inc. ("Asbury"), a Fortune 500 company headquartered in Duluth, GA, is one of the largest automotive retailers in the U.S. Asbury currently operates 89 dealerships, consisting of 110 franchises, representing 31 domestic and foreign brands of vehicles. Asbury also operates 25 collision repair centers. Asbury 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" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements other than historical fact, and may include statements relating to goals, plans, market conditions and projections regarding Asbury's financial position, liquidity, results of operations, market position and dealership portfolio, and other initiatives and future business strategy. These statements are based on management's current expectations and beliefs 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, Asbury's relationships with, and the financial and operational stability of, vehicle manufacturers and other suppliers, acts of God or other incidents which may adversely impact supply from vehicle manufacturers and/or present retail sales challenges, risks associated with Asbury's indebtedness (including available borrowing capacity, compliance with its financial covenants and ability to refinance or repay such indebtedness, on favorable terms), Asbury's relationships with, and the financial stability of, its lenders and lessors, risks related to competition in the automotive retail and service industries, general economic conditions both nationally and locally, governmental regulations, legislation, adverse results in litigation and other proceedings, and Asbury's ability to execute its IT initiatives and other operational strategies, Asbury's ability to leverage gains from its dealership portfolio, including its ability to complete and realize the expected benefits of the proposed acquisition of the Park Place family of dealerships. Asbury's ability to capitalize on opportunities to repurchase its debt and equity securities or purchase properties that it currently leases, and Asbury's ability to stay within its targeted range for capital expenditures. There can be no guarantees that Asbury's plans for future operations will be successfully implemented or that they will prove to be commercially successful.

These and other risk factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements are and will be discussed in Asbury's filings with the U.S. Securities and Exchange Commission from time to time, including its most recent annual report on Form 10-K and any subsequently filed quarterly reports on Form 10-Q. 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.  
CONSOLIDATED STATEMENTS OF INCOME (In millions, except per share data)  
(Unaudited)

	For the Three Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>REVENUE:</b>				
New vehicle	\$ 1,039.4	\$ 1,022.4	\$ 17.0	2 %
Used vehicle:				
Retail	491.5	427.9	63.6	15 %
Wholesale	49.7	45.5	4.2	9 %
Total used vehicle	541.2	473.4	67.8	14 %
Parts and service	229.7	211.1	18.6	9 %
Finance and insurance, net	83.7	77.3	6.4	8 %
<b>TOTAL REVENUE</b>	<b>1,894.0</b>	<b>1,784.2</b>	<b>109.8</b>	<b>6 %</b>
<b>GROSS PROFIT:</b>				
New vehicle	44.7	43.9	0.8	2 %
Used vehicle:				
Retail	30.9	29.3	1.6	5 %
Wholesale	0.4	—	0.4	— %
Total used vehicle	31.3	29.3	2.0	7 %
Parts and service	141.9	131.3	10.6	8 %
Finance and insurance, net	83.7	77.3	6.4	8 %
<b>TOTAL GROSS PROFIT</b>	<b>301.6</b>	<b>281.8</b>	<b>19.8</b>	<b>7 %</b>
<b>OPERATING EXPENSES:</b>				
Selling, general and administrative	206.1	192.2	13.9	7 %
Depreciation and amortization	9.5	8.5	1.0	12 %
Franchise rights impairment	7.1	3.7	3.4	92 %
Other operating (income) expenses, net	(0.2)	0.1	(0.3)	NM
<b>INCOME FROM OPERATIONS</b>	<b>79.1</b>	<b>77.3</b>	<b>1.8</b>	<b>2 %</b>
<b>OTHER EXPENSES:</b>				
Floor plan interest expense	8.2	9.5	(1.3)	(14)%
Other interest expense, net	13.7	13.7	—	— %
Total other expenses, net	21.9	23.2	(1.3)	(6)%
<b>INCOME BEFORE INCOME TAXES</b>	<b>57.2</b>	<b>54.1</b>	<b>3.1</b>	<b>6 %</b>
Income tax expense	13.6	13.7	(0.1)	(1)%
<b>NET INCOME</b>	<b>\$ 43.6</b>	<b>\$ 40.4</b>	<b>\$ 3.2</b>	<b>8 %</b>
<b>EARNINGS PER COMMON SHARE:</b>				
Basic—				
Net income	\$ 2.28	\$ 2.09	\$ 0.19	9 %
Diluted—				
Net income	\$ 2.26	\$ 2.06	\$ 0.20	10 %
<b>WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:</b>				
Basic	19.1	19.3	(0.2)	(1)%
Restricted stock	0.1	0.1	—	— %
Performance share units	0.1	0.2	(0.1)	(50)%
Diluted	19.3	19.6	(0.3)	(2)%

NM—Not Meaningful

ASBURY AUTOMOTIVE GROUP, INC.  
KEY OPERATING HIGHLIGHTS (In millions, except per unit data)  
(Unaudited)

	For the Three Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>Unit sales</b>				
New vehicle:				
Luxury	7,055	6,452	603	9 %
Import	15,723	16,394	(671)	(4)%
Domestic	4,829	4,951	(122)	(2)%
Total new vehicle	27,607	27,797	(190)	(1)%
Used vehicle retail	22,272	19,298	2,974	15 %
Used to new ratio	80.7%	69.4%	1130 bps	
<b>Average selling price</b>				
New vehicle	\$ 37,650	\$ 36,781	\$ 869	2 %
Used vehicle retail	22,068	22,173	(105)	— %
<b>Average gross profit per unit</b>				
New vehicle:				
Luxury	\$ 3,586	\$ 3,487	\$ 99	3 %
Import	674	830	(156)	(19)%
Domestic	1,822	1,575	247	16 %
Total new vehicle	1,619	1,579	40	3 %
Used vehicle retail	1,387	1,518	(131)	(9)%
Finance and insurance, net	1,678	1,641	37	2 %
Front end yield (1)	3,194	3,196	(2)	— %
<b>Gross margin</b>				
New vehicle:				
Luxury	6.5%	6.4%	10 bps	
Import	2.3%	2.9%	(60) bps	
Domestic	4.4%	3.9%	50 bps	
Total new vehicle	4.3%	4.3%	0 bps	
Used vehicle retail	6.3%	6.8%	(50) bps	
Parts and service	61.8%	62.2%	(40) bps	
Total gross profit margin	15.9%	15.8%	10 bps	
<b>SG&amp;A metrics</b>				
Rent expense	\$ 6.8	\$ 6.5	\$ 0.3	5 %
Total SG&A as a percentage of gross profit	68.3%	68.2%	10 bps	
SG&A, excluding rent expense as a percentage of gross profit	66.1%	65.9%	20 bps	
<b>Operating metrics</b>				
Income from operations as a percentage of revenue	4.2%	4.3%	(10) bps	
Income from operations as a percentage of gross profit	26.2%	27.4%	(120) bps	
Adjusted income from operations as a percentage of revenue	4.6%	4.5%	10 bps	
Adjusted income from operations as a percentage of gross profit	28.6%	28.7%	(10) bps	
<b>Revenue mix</b>				
New vehicle	54.9%	57.3%		
Used vehicle retail	26.0%	24.0%		
Used vehicle wholesale	2.6%	2.6%		
Parts and service	12.1%	11.8%		
Finance and insurance	4.4%	4.3%		
Total revenue	100.0%	100.0%		
<b>Gross profit mix</b>				
New vehicle	14.8%	15.6%		
Used vehicle retail	10.3%	10.4%		
Used vehicle wholesale	0.1%	—%		
Parts and service	47.0%	46.6%		
Finance and insurance	27.8%	27.4%		
Total gross profit	100.0%	100.0%		

(1) Front end yield is calculated as gross profit from new vehicles, used retail vehicles and finance and insurance (net), divided by combined new and used

retail unit sales.

ASBURY AUTOMOTIVE GROUP, INC.  
SAME STORE OPERATING HIGHLIGHTS (In millions)  
(Unaudited)

	For the Three Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>Revenue</b>				
New vehicle:				
Luxury	\$ 387.7	\$ 351.5	\$ 36.2	10 %
Import	426.9	460.8	(33.9)	(7)%
Domestic	169.0	200.0	(31.0)	(16)%
Total new vehicle	983.6	1,012.3	(28.7)	(3)%
Used Vehicle:				
Retail	465.5	422.6	42.9	10 %
Wholesale	48.0	44.7	3.3	7 %
Total used vehicle	513.5	467.3	46.2	10 %
Parts and service	218.4	208.8	9.6	5 %
Finance and insurance	79.6	76.4	3.2	4 %
Total revenue	\$ 1,795.1	\$ 1,764.8	\$ 30.3	2 %
<b>Gross profit</b>				
New vehicle:				
Luxury	\$ 25.3	\$ 22.5	\$ 2.8	12 %
Import	9.3	13.3	(4.0)	(30)%
Domestic	7.3	7.8	(0.5)	(6)%
Total new vehicle	41.9	43.6	(1.7)	(4)%
Used Vehicle:				
Retail	29.3	29.0	0.3	1 %
Wholesale	0.5	—	0.5	— %
Total used vehicle	29.8	29.0	0.8	3 %
Parts and service:				
Customer pay	76.5	73.4	3.1	4 %
Warranty	21.2	20.1	1.1	5 %
Wholesale parts	6.0	5.9	0.1	2 %
Parts and service, excluding reconditioning and preparation	103.7	99.4	4.3	4 %
Reconditioning and preparation	31.4	30.4	1.0	3 %
Total parts and service	135.1	129.8	5.3	4 %
Finance and insurance	79.6	76.4	3.2	4 %
Total gross profit	\$ 286.4	\$ 278.8	\$ 7.6	3 %
SG&A expense	\$ 196.6	\$ 189.6	\$ 7.0	4 %
SG&A expense as a percentage of gross profit	68.6%	68.0%	60 bps	

Same store amounts consist of information from dealerships for identical months in each comparative period, commencing with the first month we owned the dealership. Additionally, amounts related to divested dealerships are excluded from each comparative period.

ASBURY AUTOMOTIVE GROUP, INC.  
SAME STORE OPERATING HIGHLIGHTS (Continued)  
(Unaudited)

	For the Three Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>Unit sales</b>				
New vehicle:				
Luxury	7,028	6,452	576	9 %
Import	14,922	16,047	(1,125)	(7)%
Domestic	4,109	4,951	(842)	(17)%
Total new vehicle	26,059	27,450	(1,391)	(5)%
Used vehicle retail	20,905	19,050	1,855	10 %
Used to new ratio	80.2%	69.4%	1080 bps	
<b>Average selling price</b>				
New vehicle	\$ 37,745	\$ 36,878	\$ 867	2 %
Used vehicle retail	22,267	22,184	83	— %
<b>Average gross profit per unit</b>				
New vehicle:				
Luxury	\$ 3,600	\$ 3,487	\$ 113	3 %
Import	623	829	(206)	(25)%
Domestic	1,777	1,575	202	13 %
Total new vehicle	1,608	1,588	20	1 %
Used vehicle retail	1,402	1,522	(120)	(8)%
Finance and insurance, net	1,695	1,643	52	3 %
Front end yield (1)	3,211	3,204	7	— %
<b>Gross margin</b>				
New vehicle:				
Luxury	6.5%	6.4%	10 bps	
Import	2.2%	2.9%	(70) bps	
Domestic	4.3%	3.9%	40 bps	
Total new vehicle	4.3%	4.3%	0 bps	
Used vehicle retail	6.3%	6.9%	(60bps)	
Parts and service:				
Parts and service, excluding reconditioning and preparation	47.5%	47.6%	(10) bps	
Parts and service, including reconditioning and preparation	61.9%	62.2%	(30) bps	
Total gross profit margin	16.0%	15.8%	20 bps	

Same store amounts consist of information from dealerships for identical months in each comparative period, commencing with the first month we owned the dealership. Additionally, amounts related to divested dealerships are excluded from each comparative period.

- (1) Front end yield is calculated as gross profit from new vehicles, used retail vehicles and finance and insurance (net), divided by combined new and used retail unit sales.



ASBURY AUTOMOTIVE GROUP, INC.  
CONSOLIDATED STATEMENTS OF INCOME (In millions, except per share data)  
(Unaudited)

	For the Twelve Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>REVENUE:</b>				
New vehicle	\$ 3,863.3	\$ 3,788.7	\$ 74.6	2 %
Used vehicle:				
Retail	1,941.3	1,783.3	158.0	9 %
Wholesale	190.3	189.1	1.2	1 %
Total used vehicle	2,131.6	1,972.4	159.2	8 %
Parts and service	899.4	821.0	78.4	10 %
Finance and insurance, net	316.0	292.3	23.7	8 %
<b>TOTAL REVENUE</b>	<b>7,210.3</b>	<b>6,874.4</b>	<b>335.9</b>	<b>5 %</b>
<b>GROSS PROFIT:</b>				
New vehicle	159.5	165.2	(5.7)	(3)%
Used vehicle:				
Retail	133.1	127.8	5.3	4 %
Wholesale	1.0	1.9	(0.9)	(47)%
Total used vehicle	134.1	129.7	4.4	3 %
Parts and service	559.3	515.8	43.5	8 %
Finance and insurance, net	316.0	292.3	23.7	8 %
<b>TOTAL GROSS PROFIT</b>	<b>1,168.9</b>	<b>1,103.0</b>	<b>65.9</b>	<b>6 %</b>
<b>OPERATING EXPENSES:</b>				
Selling, general and administrative	799.8	755.8	44.0	6 %
Depreciation and amortization	36.2	33.7	2.5	7 %
Franchise rights impairment	7.1	3.7	3.4	92 %
Other operating expense (income), net	0.8	(1.1)	1.9	173 %
<b>INCOME FROM OPERATIONS</b>	<b>325.0</b>	<b>310.9</b>	<b>14.1</b>	<b>5 %</b>
<b>OTHER EXPENSES (INCOME):</b>				
Floor plan interest expense	37.9	32.5	5.4	17 %
Other interest expense, net	54.9	53.1	1.8	3 %
Swap interest expense	—	0.5	(0.5)	(100)%
Gain on divestiture	(11.7)	—	(11.7)	— %
Total other expenses, net	81.1	86.1	(5.0)	(6)%
<b>INCOME BEFORE INCOME TAXES</b>	<b>243.9</b>	<b>224.8</b>	<b>19.1</b>	<b>8 %</b>
Income tax expense	59.5	56.8	2.7	5 %
<b>NET INCOME</b>	<b>\$ 184.4</b>	<b>\$ 168.0</b>	<b>\$ 16.4</b>	<b>10 %</b>
<b>EARNINGS PER COMMON SHARE:</b>				
Basic—				
Net income	\$ 9.65	\$ 8.36	\$ 1.29	15 %
Diluted—				
Net income	\$ 9.55	\$ 8.28	\$ 1.27	15 %
<b>WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:</b>				
Basic	19.1	20.1	(1.0)	(5)%
Restricted stock	0.1	0.1	—	— %
Performance share units	0.1	0.1	—	— %
Diluted	19.3	20.3	(1.0)	(5)%

ASBURY AUTOMOTIVE GROUP, INC.  
KEY OPERATING HIGHLIGHTS (In millions, except per unit data)  
(Unaudited)

	For the Twelve Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>Unit sales</b>				
New vehicle:				
Luxury	23,988	22,979	1,009	4 %
Import	61,420	62,939	(1,519)	(2)%
Domestic	19,835	19,357	478	2 %
Total new vehicle	105,243	105,275	(32)	— %
Used vehicle retail	88,602	82,377	6,225	8 %
Used to new ratio	84.2%	78.2%	600 bps	
<b>Average selling price</b>				
New vehicle	\$ 36,708	\$ 35,989	\$ 719	2 %
Used vehicle retail	21,910	21,648	262	1 %
<b>Average gross profit per unit</b>				
New vehicle:				
Luxury	\$ 3,473	\$ 3,481	\$ (8)	— %
Import	685	836	(151)	(18)%
Domestic	1,719	1,684	35	2 %
Total new vehicle	1,516	1,569	(53)	(3)%
Used vehicle retail	1,502	1,551	(49)	(3)%
Finance and insurance, net	1,630	1,558	72	5 %
Front end yield (1)	3,140	3,119	21	1 %
<b>Gross margin</b>				
New vehicle:				
Luxury	6.3%	6.5%	(20) bps	
Import	2.4%	2.9%	(50) bps	
Domestic	4.3%	4.3%	0 bps	
Total new vehicle	4.1%	4.4%	(30) bps	
Used vehicle retail	6.9%	7.2%	(30) bps	
Parts and service	62.2%	62.8%	(60) bps	
Total gross profit margin	16.2%	16.0%	20 bps	
<b>SG&amp;A metrics</b>				
Rent expense	\$ 27.1	\$ 25.6	\$ 1.5	6 %
Total SG&A as a percentage of gross profit	68.4%	68.5%	(10) bps	
SG&A, excluding rent expense as a percentage of gross profit	66.1%	66.2%	(10) bps	
<b>Operating metrics</b>				
Income from operations as a percentage of revenue	4.5%	4.5%	—	
Income from operations as a percentage of gross profit	27.8%	28.2%	(40)bps	
Adjusted income from operations as a percentage of revenue	4.6%	4.6%	—	
Adjusted income from operations as a percentage of gross profit	28.6%	28.5%	10 bps	
<b>Revenue mix</b>				
New vehicle	53.6%	55.1%		
Used vehicle retail	26.9%	25.9%		
Used vehicle wholesale	2.6%	2.8%		
Parts and service	12.5%	11.9%		
Finance and insurance	4.4%	4.3%		
Total revenue	100.0%	100.0%		
<b>Gross profit mix</b>				
New vehicle	13.6%	15.0%		
Used vehicle retail	11.5%	11.5%		
Used vehicle wholesale	0.1%	0.2%		
Parts and service	47.8%	46.8%		
Finance and insurance	27.0%	26.5%		
Total gross profit	100.0%	100.0%		

(1) Front end yield is calculated as gross profit from new vehicles, used retail vehicles and finance and insurance (net), divided by combined new and used retail unit sales.

ASBURY AUTOMOTIVE GROUP, INC.  
SAME STORE OPERATING HIGHLIGHTS (In millions)  
(Unaudited)

	For the Twelve Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>Revenue</b>				
New vehicle:				
Luxury	\$ 1,314.4	\$ 1,235.3	\$ 79.1	6 %
Import	1,687.1	1,744.8	(57.7)	(3)%
Domestic	681.0	763.2	(82.2)	(11)%
Total new vehicle	3,682.5	3,743.3	(60.8)	(2)%
Used Vehicle:				
Retail	1,848.9	1,755.7	93.2	5 %
Wholesale	183.9	185.4	(1.5)	(1)%
Total used vehicle	2,032.8	1,941.1	91.7	5 %
Parts and service	867.0	810.9	56.1	7 %
Finance and insurance, net	302.4	287.1	15.3	5 %
Total revenue	\$ 6,884.7	\$ 6,782.4	\$ 102.3	2 %
<b>Gross profit</b>				
New vehicle:				
Luxury	\$ 83.4	\$ 80.0	\$ 3.4	4 %
Import	39.9	51.0	(11.1)	(22)%
Domestic	27.9	32.6	(4.7)	(14)%
Total new vehicle	151.2	163.6	(12.4)	(8)%
Used Vehicle:				
Retail	126.0	126.1	(0.1)	— %
Wholesale	1.1	2.0	(0.9)	(45)%
Total used vehicle	127.1	128.1	(1.0)	(1)%
Parts and service:				
Customer pay	305.4	288.6	16.8	6 %
Warranty	85.4	76.1	9.3	12 %
Wholesale parts	23.4	22.5	0.9	4 %
Parts and service, excluding reconditioning and preparation	414.2	387.2	27.0	7 %
Reconditioning and preparation	124.5	122.0	2.5	2 %
Total parts and service	538.7	509.2	29.5	6 %
Finance and insurance	302.4	287.1	15.3	5 %
Total gross profit	\$ 1,119.4	\$ 1,088.0	\$ 31.4	3 %
SG&A expense	\$ 766.0	\$ 743.9	\$ 22.1	3 %
SG&A expense as a percentage of gross profit	68.4%	68.4%	0 bps	

Same store amounts consist of information from dealerships for identical months in each comparative period, commencing with the first month we owned the dealership. Additionally, amounts related to divested dealerships are excluded from each comparative period.

ASBURY AUTOMOTIVE GROUP, INC.  
SAME STORE OPERATING HIGHLIGHTS (Continued)  
(Unaudited)

	For the Twelve Months Ended December 31,		Increase (Decrease)	% Change
	2019	2018		
<b>Unit sales</b>				
New vehicle:				
Luxury	23,890	22,979	911	4 %
Import	59,539	61,305	(1,766)	(3)%
Domestic	16,817	19,357	(2,540)	(13)%
Total new vehicle	100,246	103,641	(3,395)	(3)%
Used vehicle retail	83,822	80,963	2,859	4 %
Used to new ratio	83.6%	78.1%	550 bps	
<b>Average selling price</b>				
New vehicle	\$ 36,735	\$ 36,118	\$ 617	2 %
Used vehicle retail	22,057	21,685	372	2 %
<b>Average gross profit per unit</b>				
New vehicle:				
Luxury	\$ 3,491	\$ 3,481	\$ 10	— %
Import	670	832	(162)	(19)%
Domestic	1,659	1,684	(25)	(1)%
Total new vehicle	1,508	1,579	(71)	(4)%
Used vehicle retail	1,503	1,558	(55)	(4)%
Finance and insurance, net	1,643	1,555	88	6 %
Front end yield (1)	3,149	3,125	24	1 %
<b>Gross margin</b>				
New vehicle:				
Luxury	6.3%	6.5%	(20) bps	
Import	2.4%	2.9%	(50) bps	
Domestic	4.1%	4.3%	(20) bps	
Total new vehicle	4.1%	4.4%	(30) bps	
Used vehicle retail	6.8%	7.2%	(40) bps	
Parts and service:				
Parts and service, excluding reconditioning and preparation	47.8%	47.7%	10 bps	
Parts and service, including reconditioning and preparation	62.1%	62.8%	(70) bps	
Total gross profit margin	16.2%	16.0%	20 bps	

Same store amounts consist of information from dealerships for identical months in each comparative period, commencing with the first month we owned the dealership. Additionally, amounts related to divested dealerships are excluded from each comparative period.

- (1) Front end yield is calculated as gross profit from new vehicles, used retail vehicles and finance and insurance (net), divided by combined new and used retail unit sales.

ASBURY AUTOMOTIVE GROUP, INC.  
Additional Disclosures (In millions)  
(Unaudited)

	December 31, 2019	December 31, 2018	Increase (Decrease)	% Change
<b>SELECTED BALANCE SHEET DATA</b>				
Cash and cash equivalents	\$ 3.5	\$ 8.3	\$ (4.8)	(58)%
New vehicle inventory	802.6 <sup>(a)</sup>	867.2	(64.6)	(7)%
Used vehicle inventory	140.1 <sup>(b)</sup>	158.9	(18.8)	(12)%
Parts inventory	42.3 <sup>(c)</sup>	41.5	0.8	2 %
Total current assets	1,602.6	1,553.0	49.6	3 %
Floor plan notes payable	788.0 <sup>(d)</sup>	966.1	(178.1)	(18)%
Total current liabilities	1,247.0	1,303.3	(56.3)	(4)%
<b>CAPITALIZATION:</b>				
Long-term debt (including current portion)	\$ 939.4 <sup>(e)</sup>	\$ 905.3	\$ 34.1	4 %
Shareholders' equity	646.3	473.2	173.1	37 %
Total	<u>\$ 1,585.7</u>	<u>\$ 1,378.5</u>	\$ 207.2	15 %

(a) Excluding \$56.3 million of new vehicle inventory classified as Assets held for sale as of December 31, 2019

(b) Excluding \$8.6 million of used vehicle inventory classified as Assets held for sale as of December 31, 2019

(c) Excluding \$2.8 million of parts inventory classified as Assets held for sale as of December 31, 2019

(d) Excluding \$62.8 million of Floor plan notes payable classified as Liabilities associated with assets held for sale as of December 31, 2019

(e) Excluding \$28.1 million of Long-term debt classified as Liabilities associated with assets held for sale as of December 31, 2019

	December 31, 2019	December 31, 2018
<b>DAYS SUPPLY</b>		
New vehicle inventory	66	67
Used vehicle inventory	29	34

Days supply of inventory is calculated based on new and used inventory levels at the end of each reporting period and a 30-day historical cost of sales.

Brand Mix - New Vehicle Revenue by Brand-

	For the Twelve Months Ended December 31,	
	2019	2018
<b>Luxury:</b>		
Mercedes-Benz	7%	6%
Lexus	7%	7%
BMW	6%	5%
Acura	4%	4%
Infiniti	3%	3%
Other luxury	7%	8%
Total luxury	34%	33%
<b>Imports:</b>		
Honda	18%	19%
Nissan	8%	11%
Toyota	13%	12%
Other imports	6%	5%
Total imports	45%	47%
<b>Domestic:</b>		
Ford	9%	10%
Chevrolet	6%	5%
Dodge	3%	3%
Other domestics	3%	2%
Total domestic	21%	20%
<b>Total New Vehicle Revenue</b>	<b>100%</b>	<b>100%</b>

### **Non-GAAP Financial Disclosure and Reconciliation**

In addition to evaluating the financial condition and results of our operations in accordance with GAAP, from time to time management evaluates and analyzes results and any impact on the Company of strategic decisions and actions relating to, among other things, cost reduction, growth, and profitability improvement initiatives, and other events outside of normal, or "core," business and operations, by considering certain alternative financial measures not prepared in accordance with GAAP. These measures include "Adjusted leverage ratio," "Adjusted income from operations," "Adjusted net income," "Adjusted operating margins," and "Adjusted diluted earnings per share ("EPS")." Further, management assesses the organic growth of our revenue and gross profit on a same store basis. We believe that our assessment on a same store basis represents an important indicator of comparative financial performance and provides relevant information to assess our performance at our existing locations. Same store amounts consist of information from dealerships for identical months in each comparative period, commencing with the first month we owned the dealership. Additionally, amounts related to divested dealerships are excluded from each comparative period. Non-GAAP measures do not have definitions under GAAP and may be defined differently by and not be comparable to similarly titled measures used by other companies. As a result, any non-GAAP financial measures considered and evaluated by management are reviewed in conjunction with a review of the most directly comparable measures calculated in accordance with GAAP. Management cautions investors not to place undue reliance on such non-GAAP measures, but also to consider them with the most directly comparable GAAP measures. In their evaluation of results from time to time, management excludes items that do not arise directly from core operations, or are otherwise of an unusual or non-recurring nature. Because these non-core, unusual or non-recurring charges and gains materially affect Asbury's financial condition or results in the specific period in which they are recognized, management also evaluates, and makes resource allocation and performance evaluation decisions based on, the related non-GAAP measures excluding such items. In addition to using such non-GAAP measures to evaluate results in a specific period, management believes that such measures may provide more complete and consistent comparisons of operational performance on a period-over-period historical basis and a better indication of expected future trends. Management discloses these non-GAAP measures, and the related reconciliations, because it believes investors use these metrics in evaluating longer-term period-over-period performance, and to allow investors to better understand and evaluate the information used by management to assess operating performance.



The following tables provide reconciliations for our non-GAAP metrics:

	For the Twelve Months Ended	
	December 31, 2019	September 30, 2019
(Dollars in millions)		
<u>Adjusted leverage ratio:</u>		
Long-term debt (including current portion and HFS)	\$ 967.5	\$ 905.9
Calculation of earnings before interest, taxes, depreciation and amortization ("EBITDA"):		
Net Income	\$ 184.4	\$ 181.2
Add:		
Depreciation and amortization	36.2	35.2
Income tax expense	59.5	59.8
Swap and other interest expense	54.9	54.8
Earnings before interest, taxes, depreciation and amortization ("EBITDA")	<u>\$ 335.0</u>	<u>\$ 331.0</u>
Non-core items - expense (income):		
Gain on divestiture	\$ (11.7)	\$ (11.7)
Legal settlements	(0.6)	\$ —
Gain on sale of real estate	(0.3)	(0.3)
Franchise rights impairment	7.1	3.7
Real estate-related charges	0.6	—
Fixed assets write-off	2.4	2.4
Total non-core items	<u>(2.5)</u>	<u>(5.9)</u>
Adjusted EBITDA	<u>\$ 332.5</u>	<u>\$ 325.1</u>
Adjusted leverage ratio	<u>2.9</u>	<u>2.8</u>

	For the Three Months Ended December 31,	
	2019	2018
(In millions, except per share data)		
<u>Adjusted income from operations:</u>		
Income from operations	\$ 79.1	\$ 77.3
Franchise rights impairment	7.1	3.7
Legal settlements	(0.6)	—
Real estate-related charges	0.6	—
Adjusted income from operations	<u>\$ 86.2</u>	<u>\$ 81.0</u>
<u>Adjusted net income:</u>		
Net income	\$ 43.6	\$ 40.4
Non-core items - (income) expense:		
Franchise rights impairment	7.1	3.7
Legal settlements	(0.6)	—
Real estate-related charges	0.6	—
Income tax effect on non-core items above	(1.8)	(0.9)
Total non-core items	<u>5.3</u>	<u>2.8</u>
Adjusted net income	<u>\$ 48.9</u>	<u>\$ 43.2</u>
<u>Adjusted diluted earnings per share (EPS):</u>		
Diluted EPS	\$ 2.26	\$ 2.06
Total non-core items	0.27	0.14
Adjusted diluted EPS	<u>\$ 2.53</u>	<u>\$ 2.20</u>
Weighted average common shares outstanding - diluted	<u>19.3</u>	<u>19.6</u>

	For the Twelve Months Ended December 31,	
	2019	2018
	(In millions, except per share data)	
<b>Adjusted income from operations:</b>		
Income from operations	\$ 325.0	\$ 310.9
Franchise rights impairment	7.1	3.7
Legal settlements	(0.6)	(0.7)
Gain on sale of real estate	(0.3)	—
Real estate-related charges	0.6	—
Fixed assets write-off	2.4	—
Adjusted income from operations	<u>\$ 334.2</u>	<u>\$ 313.9</u>
<b>Adjusted net income:</b>		
Net income	\$ 184.4	\$ 168.0
<b>Non-core items - (income) expense:</b>		
Franchise rights impairment	7.1	3.7
Gain on divestiture	(11.7)	—
Gain on sale of real estate	(0.3)	—
Fixed assets write-off	2.4	—
Real estate-related charges	0.6	—
Legal settlements	(0.6)	(0.7)
Income tax effect on non-core items above	0.6	(0.8)
2017 Tax Act Adjustment	—	0.6
Total non-core items	<u>(1.9)</u>	<u>2.8</u>
Adjusted net income	<u>\$ 182.5</u>	<u>\$ 170.8</u>
<b>Adjusted diluted earnings per share (EPS):</b>		
Diluted EPS	\$ 9.55	\$ 8.28
Total non-core items	(0.09)	0.13
Adjusted diluted EPS	<u>\$ 9.46</u>	<u>\$ 8.41</u>
Weighted average common shares outstanding - diluted	<u>19.3</u>	<u>20.3</u>