UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported):
July 28, 2005

Asbury Automotive Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

5511	01-0609375
(Commission File Number)	(IRS Employer Identification No.)

622 Third Avenue, 37th Floor, New York, NY	10017
(Address of principal executive offices)	(Zip Code)

(212) 885-2500

(Registrant's telephone number, including area code)

None

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

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))

Item 2.02 Results of Operations and Financial Conditions.

The registrant issued a press release on July 28, 2005 announcing its financial results for the second quarter and six months ended June 30, 2005, which press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

The registrant hereby furnishes the press release identified under Item 2.02 and attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

Exhibit No.	Description
99.1	Press Release dated July 28, 2005.

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: July 28, 2005

By: /s/Kenneth B. Gilman

Name: Kenneth B. Gilman

Title: President and Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated July 28, 2005.

Stacey Yonkus
Director, Investor Relations
(212) 885-2512
investor@asburyauto.com

Reporters May Contact:
David Shein
RFBinder Partners
(212) 994-7514
David.Shein@RFBinder.com

Asbury Automotive Group Reports Second Quarter Financial Results

-- Income from Continuing Operations Increased 9% --

-- Same-Store Retail Revenue Rose 9%; Same-Store Retail Gross Profit Increased 7% --

New York, NY, July 28, 2005 - Asbury Automotive Group, Inc. (NYSE: ABG), one of the largest automotive retail and service companies in the U.S., today reported financial results for the second quarter and six months ended June 30, 2005.

Income from continuing operations for the second quarter increased 9 percent to $17.5 million, or $0.54 per diluted share, compared with $16.0 million, or $0.49 per diluted share, in last year's second quarter. Net income for the second quarter was $16.0 million, or $0.49 per diluted share compared to $14.7 million, or $0.45 per diluted share, for the second quarter of 2004.

For the first six months of 2005, income from continuing operations was $28.0 million, or $0.85 per diluted share, including after-tax costs of $2.2 million, or $0.07 per diluted share, related to the Company's regional restructuring. Excluding the restructuring costs, income from continuing operations increased 12 percent to $30.2 million, or $0.92 per diluted share, from $26.9 million, or $0.82 per diluted share, in the prior year-to-date period. Net income for the first half of 2005 was $25.6 million, or $0.78 per diluted share, as compared to $25.1 million, or $0.77 per diluted share, for the first half of 2004.

Additional financial highlights for the second quarter of 2005, as compared to the corresponding period a year ago, included:

- Total revenue for the quarter was approximately $1.5 billion, up 12 percent. Total gross profit was $221.4 million, a 10 percent increase.
- Same-store retail revenue and gross profit (excluding fleet and wholesale revenue) increased 9 and 7 percent, respectively.
- New vehicle retail revenue rose 10 percent (6 percent same-store), and unit sales increased 7 percent (3 percent same-store). New vehicle retail gross profit increased 6 percent (3 percent same-store).
- Used vehicle retail revenue increased 19 percent (16 percent same-store), and unit sales rose 10 percent (6 percent same-store). Used vehicle retail gross profit increased 12 percent (10 percent same-store).
- Parts, service and collision repair revenue increased 13 percent (11 percent same-store), while the related gross profit rose 10 percent (8 percent same-store).
- Net finance and insurance (F&I) revenue rose 11 percent (7 percent same-store). F&I per vehicle retailed (PVR) increased 3 percent to $913, and platform F&I PVR rose 5 percent to $883.
- As a percentage of gross profit, selling, general and administrative (SG&A) expenses for the quarter were 77.0 percent, compared to 77.5 percent in the prior year. Excluding rent expense, SG&A expenses were 71.4 percent, down 180 basis points compared to the prior year. Rent expense was higher in 2005 principally due to a sale-leaseback transaction in July 2004 that had the effect of increasing rent while reducing interest and depreciation expense.

President and CEO Kenneth B. Gilman commented, "I am pleased with our ability to achieve solid top and bottom-line results this quarter. During a very promotional new car environment, which was highlighted by General Motors' generous "employee discount" program, our business model once again turned in a solid performance. Of particular note is the performance of our used car operations where we achieved substantial gains in both same-store retail revenue and gross profit. We believe these gains can be attributed to earlier programs put in place to develop this area of the business. Despite this success, I still believe additional opportunity exists in used cars, especially in the lower-priced end of the market."

Mr. Gilman continued, "Our services businesses once again turned in strong performances and, when combined with our used vehicle business, more than offset continued pressure on new vehicle gross margins. For the quarter, fixed operations and finance and insurance generated 8 and 7 percent gains in same-store gross profit, respectively, well ahead of our ongoing objective of 3 to 5 percent increases. Our parts and service business continues to benefit from our decision two years ago to focus more resources on targeted investments in people, capacity expansion, new equipment and better training for our service advisors."

J. Gordon Smith, Senior Vice President and CFO, said, "We remained on track during the quarter with the implementation of our regional reorganization program, and have already achieved most of the expected cost savings. We continue to believe the restructuring will deliver cost reductions in the second half of 2005 and into 2006, with annualized savings of approximately $0.10 per share. In addition, cost containment initiatives that were put in place several quarters ago have begun to yield tangible results, and we believe will continue to produce additional savings in the future."

Mr. Smith continued, "Portfolio management has been another important focus during the year. The further streamlining of our dealership portfolio through the divestiture of under-performing stores eliminates some considerable distractions and enhances the Company's overall productivity. Specifically, three stores that we decided to sell in the second quarter of 2005 lost approximately $0.02 per diluted share during the quarter, which is included in discontinued operations. The remaining $0.03 loss from discontinued operations principally relates to stores sold in 2005 but placed in discontinued operations in 2004. On the acquisition front, we've been a bit selective in our approach, unwilling to pay above market prices to induce owners to sell. As a result, we expect the year to come in below the low end of our previously announced acquisition target of adding $300 million in annualized revenues."

Commenting on earnings guidance for 2005, the Company noted that it has raised its expected range of estimates for earnings per share from continuing operations to between $1.74 and $1.80. This range does not reflect the net costs resulting from the regional reorganization currently estimated at $0.03 per share, nor the potential adoption of Statement of Financial Accounting Standard 123(R).

Asbury will host a conference call to discuss its second quarter results this morning at 10:00 a.m. Eastern Time. The call will be simulcast live on the Internet and can be accessed by logging onto http://www.asburyauto.com or http://www.ccbn.com. In addition, a live audio of the call will be accessible to the public by calling 800-540-0559; international callers, please dial 785-832-1508. No access code is required. A conference call replay will be available approximately two hours following the call for 14 days and can be accessed by calling 888-203-1112 (domestic), or 719-457-0820 (international); access code 9363044, or by logging onto the Company's website.

About Asbury Automotive Group

Asbury Automotive Group, Inc., headquartered in New York City, is one of the largest automobile retailers in the U.S., with 2004 revenue of approximately $5.3 billion. Built through a combination of organic growth and a series of strategic acquisitions, the Company currently operates 94 retail auto stores, encompassing 129 franchises for the sale and servicing of 33 different brands of American, European and Asian automobiles. Asbury believes that its product mix contains a higher proportion of the more desirable luxury and mid-line import brands than most public automotive retailers. The Company offers customers an extensive range of automotive products and services, including new and used vehicle sales and related financing and insurance, vehicle maintenance and repair services, replacement parts and service contracts.

Forward-Looking Statements

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

Asbury Automotive Group, Inc.
Consolidated Statements of Income
(In thousands, except per share data)
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2005	2004	2005	2004
REVENUES:				
New vehicle	$ 903,767	$ 814,427	$ 1,688,962	$ 1,494,018
Used vehicle	366,917	316,278	705,023	615,330
Parts, service and collision repair	164,529	146,085	322,696	283,933
Finance and insurance, net	41,646	37,453	79,334	68,374
Total revenues	1,476,859	1,314,243	2,796,015	2,461,655
COST OF SALES:				
New vehicle	841,065	755,381	1,571,227	1,383,735
Used vehicle	335,403	289,033	643,015	561,044
Parts, service and collision repair	79,016	68,224	154,701	134,172
Total cost of sales	1,255,484	1,112,638	2,368,943	2,078,951
GROSS PROFIT	221,375	201,605	427,072	382,704
OPERATING EXPENSES:				
Selling, general and administrative	170,551	156,332	338,358	300,694
Depreciation and amortization	5,102	5,084	10,037	9,947
Income from operations	45,722	40,189	78,677	72,063
OTHER INCOME (EXPENSE):				
Floor plan interest expense	(7,977)	(4,883)	(14,973)	(9,128)
Other interest expense	(10,131)	(10,186)	(19,619)	(20,506)
Interest income	235	109	491	381
Other income (expense)	186	152	158	(59)
Total other expense, net	(17,687)	(14,808)	(33,943)	(29,312)
Income before income taxes	28,035	25,381	44,734	42,751
INCOME TAX EXPENSE	10,513	9,341	16,775	15,855
INCOME FROM CONTINUING OPERATIONS	17,522	16,040	27,959	26,896
DISCONTINUED OPERATIONS, net of tax	(1,536)	(1,292)	(2,332)	(1,784)
Net income	$ 15,986	$ 14,748	$ 25,627	$ 25,112
BASIC EARNINGS PER COMMON SHARE:				
Continuing operations	$ 0.54	$ 0.49	$ 0.86	$ 0.83
Discontinued operations	(0.05)	(0.04)	(0.07)	(0.06)
Net income	$ 0.49	$ 0.45	$ 0.79	$ 0.77
DILUTED EARNINGS PER COMMON SHARE:				
Continuing operations	$ 0.54	$ 0.49	$ 0.85	0.82
Discontinued operations	(0.05)	(0.04)	(0.07)	(0.05)
Net income	$ 0.49	$ 0.45	$ 0.78	$ 0.77
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	32,604	32,470	32,596	32,452
Diluted	32,725	32,656	32,753	32,688

Asbury Automotive Group, Inc.
Selected Data
(Dollars in thousands except per share data)
(Unaudited)

	As Reported for the Three Months Ended June 30,				Same Store for the Three Months Ended June 30,			
	2005		2004		2005		2004	
RETAIL VEHICLES SOLD:								
New units	29,094	63.8%	27,114	64.3%	27,866	63.5%	27,114	64.3%
Used units	16,520	36.2%	15,072	35.7%	16,005	36.5%	15,072	35.7%
Total units	45,614	100.0%	42,186	100.0%	43,871	100.0%	42,186	100.0%
REVENUE:								
New retail	$ 879,202	59.5%	$ 798,482	60.8%	$ 848,376	59.3%	$ 798,482	60.8%
Used retail	279,451	18.9%	234,321	17.8%	272,140	19.0%	234,321	17.8%
Parts, service and collision repair	164,529	11.2%	146,085	11.1%	162,302	11.4%	146,085	11.1%
Finance and insurance, net	41,646	2.8%	37,453	2.9%	40,082	2.8%	37,453	2.9%
Total retail revenue	1,364,828		1,216,341		1,322,900		1,216,341	
Fleet	24,565	1.7%	15,945	1.2%	23,346	1.6%	15,945	1.2%
Wholesale	87,466	5.9%	81,957	6.2%	84,552	5.9%	81,957	6.2%
Total revenue	$1,476,859	100.0%	$1,314,243	100.0%	$1,430,798	100.0%	$1,314,243	100.0%
GROSS PROFIT								
New retail	$ 61,903	28.0%	$ 58,397	29.0%	$ 59,975	27.8%	$ 58,397	29.0%
Used retail	31,487	14.2%	28,050	13.9%	30,763	14.3%	28,050	13.9%
Parts, service and collision repair	85,513	38.6%	77,861	38.6%	84,015	38.9%	77,861	38.6%
Finance and insurance, net	41,646	18.8%	37,453	18.6%	40,082	18.6%	37,453	18.6%
Total retail gross profit	220,549		201,761		214,835		201,761	
Fleet	799	0.4%	649	0.3%	808	0.4%	649	0.3%
Wholesale	27	--	(805)	(0.4%)	52	--	(805)	(0.4%)
Total gross profit	$ 221,375	100.0%	$ 201,605	100.0%	$ 215,695	100.0%	$ 201,605	100.0%
SG&A expenses excluding rent expense	$ 158,007		$ 147,521		$ 153,424		$ 147,060	
SG&A (excluding rent expense) as a percent of gross profit	71.4%		73.2%		71.1%		72.9%	
GROSS PROFIT PER VEHICLE RETAILED:								
New retail	$ 2,128		$ 2,154		$ 2,152		2,154	
Used retail	1,906		1,861		1,922		1,861	
Finance and insurance, net	913		888		914		888	
Platform finance and insurance, net	883		843		882		843	

Asbury Automotive Group, Inc.
Selected Data
(Dollars in thousands except per share data)
(Unaudited)

	As Reported for the Six Months Ended June 30,				Same Store for the Six Months Ended June 30,			
	2005		2004		2005		2004	
RETAIL VEHICLES SOLD:								
New units	53,997	62.8%	49,692	62.5%	51,264	62.4%	49,692	62.5%
Used units	32,027	37.2%	29,795	37.5%	30,908	37.6%	29,795	37.5%
Total units	86,024	100.0%	79,487	100.0%	82,172	100.0%	79,487	100.0%
REVENUE:								
New retail	$1,639,052	58.6%	$1,467,999	59.6%	$1,567,930	58.4%	$1,467,999	59.6%
Used retail	531,931	19.0%	458,351	18.6%	514,403	19.1%	458,351	18.6%
Parts, service and collision repair	322,696	11.6%	283,933	11.5%	313,819	11.7%	283,933	11.5%
Finance and insurance, net	79,334	2.8%	68,374	2.8%	76,057	2.8%	68,374	2.8%
Total retail revenue	2,573,013		2,278,657		2,472,209		2,278,657	
Fleet	49,910	1.8%	26,019	1.1%	48,418	1.8%	26,019	1.1%
Wholesale	173,092	6.2%	156,979	6.4%	165,545	6.2%	156,979	6.4%
Total revenue	$2,796,015	100.0%	$2,461,655	100.0%	$2,686,172	100.0%	$2,461,655	100.0%
GROSS PROFIT								
New retail	$ 116,335	27.2%	$ 109,268	28.5%	$ 111,467	27.0%	$ 109,268	28.5%
Used retail	60,870	14.3%	55,179	14.4%	59,150	14.4%	55,179	14.4%
Parts, service and collision repair	167,995	39.3%	149,761	39.1%	163,134	39.6%	149,761	39.1%
Finance and insurance, net	79,334	18.6%	68,374	17.9%	76,057	18.4%	68,374	17.9%
Total retail gross profit	424,534		382,582		409,808		382,582	
Fleet	1,400	0.3%	1,015	0.3%	1,404	0.3%	1,015	0.3%
Wholesale	1,138	0.3%	(893)	(0.2%)	1,125	0.3%	(893)	(0.2%)
Total gross profit	$ 427,072	100.0%	$ 382,704	100.0%	$ 412,337	100.0%	$ 382,704	100.0%
SG&A expenses excluding reorganization costs	$ 309,493		$ 283,701		$ 297,134		$ 283,240	
SG&A (excluding reorganization costs and rent) as a percent of gross profit	72.5%		74.1%		72.1%		74.0%	
GROSS PROFIT PER VEHICLE RETAILED:								
New retail	2,154		2,199		2,174		2,199	
Used retail	1,901		1,852		1,914		1,852	
Finance and insurance, net	922		860		926		860	
Platform finance and insurance, net	892		821		894		821	

Asbury Automotive Group, Inc.
Selected Data
(Dollars in thousands except per share data)
(Unaudited)

	As of June 30, 2005	As of December 31, 2004
BALANCE SHEET HIGHLIGHTS:		
Cash and cash equivalents	$ 11,049	$ 28,093
Inventories	722,160	761,557
Total current assets	1,116,385	1,143,506
Floor plan notes payable	613,137	650,948
Total current liabilities	829,333	847,510
CAPITALIZATION:		
Long-term debt (including current portion)	$ 509,344	$ 526,415
Stockholders' equity	504,456	481,733
Total	$1,013,800	$1,008,148

ASBURY AUTOMOTIVE GROUP, INC.
SUPPLEMENTAL DISCLOSURES REGARDING NON-GAAP FINANCIAL INFORMATION
(In thousands, except vehicle data)
(Unaudited)

The Company evaluates finance and insurance gross profit performance on a per-vehicle retailed basis by dividing total finance and insurance gross profit by the number of retail vehicles sold. During 2003, the Company renegotiated a contract with a third party finance and insurance product provider, which resulted in the recognition of income that was not attributable to retail vehicles sold during the year. The Company believes that platform finance and insurance, which excludes the additional revenue derived from contracts negotiated by the corporate office, provides a more accurate measure of the Company's finance and insurance operating performance. The following table reconciles finance and insurance gross profit to platform finance and insurance gross profit, and provides necessary components to calculate platform finance and insurance gross profit per vehicle retailed.

	As Reported For the Three Months Ended June 30,		Same Store For the Three Months Ended June 30,	
	2005	2004	2005	2004
RECONCILIATION OF FINANCE AND INSURANCE GROSS PROFIT TO PLATFORM FINANCE AND INSURANCE GROSS PROFIT:				
Finance and insurance, net	$ 41,646	$ 37,453	$ 40,082	$ 37,453
Less: corporate finance and insurance	(1,367)	(1,906)	(1,367)	(1,906)
Platform finance and insurance, net	$ 40,279	$ 35,547	$ 38,715	$ 35,547
RETAIL VEHICLES SOLD:				
New retail units	29,094	27,114	27,866	27,114
Used retail units	16,520	15,072	16,005	15,072
Total units	45,614	42,186	43,871	42,186

	As Reported For the Six Months Ended June 30,		Same Store For the Six Months Ended June 30,	
	2005	2004	2005	2004
RECONCILIATION OF FINANCE AND INSURANCE GROSS PROFIT TO PLATFORM FINANCE AND INSURANCE GROSS PROFIT:				
Finance and insurance, net	$ 79,334	$ 68,374	$ 76,057	$ 68,374
Less: corporate finance and insurance	(2,570)	(3,149)	(2,570)	(3,149)
Platform finance and insurance, net	$ 76,764	$ 65,225	$ 73,487	$ 65,225
RETAIL VEHICLES SOLD:				
New retail units	53,997	49,692	51,264	49,692
Used retail units	32,027	29,795	30,908	29,795
Total units	86,024	79,487	82,172	79,487

The Company's operating income was largely impacted by restructuring costs incurred during the first quarter of 2005 and incremental rent expense associated with a sale-leaseback transaction that was entered into in the third quarter of 2004. The Company believes that excluding the restructuring costs and rent expense from the selling, general and administrative expenses provides a more meaningful basis to measure the results of the Company's operations compared to that of the prior year period. A reconciliation of the Company's adjusted selling, general and administrative expenses is presented below.

	As Reported for the Three Months Ended June 30, 2005	As Reported for the Three Months Ended June 30, 2004	Variance
SG&A expenses	$170,551	$156,332	$ 14,219
Less: Rent expense ...	(12,544)	(8,811)	(3,733)
Adjusted SG&A expenses	$158,007	$147,521	$ 10,486

	Same Store Results for the Three Months Ended June 30, 2005	Same Store Results for the Three Months Ended June 30, 2004	Variance
SG&A expenses	$165,269	$155,855	$ 9,414
Less: Rent expense ...	(11,845)	(8,795)	(3,050)
Adjusted SG&A expenses	$153,424	$147,060	$ 6,364

	As Reported for the Six Months Ended June 30, 2005	As Reported for the Six Months Ended June 30, 2004	Variance
SG&A expenses	$338,358	$300,694	$ 37,664
Less: Restructuring costs	(3,566)	--	(3,566)
Rent expense	(25,299)	(16,993)	(8,306)
Adjusted SG&A expenses ..	$309,493	$283,701	$ 25,792

	Same Store Results for the Six Months Ended June 30, 2005	Same Store Results for the Six Months Ended June 30, 2004	Variance
SG&A expenses	$324,171	$300,217	$ 23,954
Less: Restructuring costs	(3,566)	--	(3,566)
Rent expense	(23,471)	(16,977)	(6,494)
Adjusted SG&A expenses ..	$297,134	$283,240	$ 13,894

The Company defines income from continuing operations as net income less discontinued operations. We believe that excluding certain items from income from continuing operations for the six months ended June 30, 2005 and 2004, provides a more meaningful basis to measure the results of our operations. A reconciliation of our net income to adjusted income from continuing operations is presented below.

	For the Six Months Ended June 30, 2005	For the Six Months Ended June 30, 2004
RECONCILIATION OF NET INCOME TO ADJUSTED INCOME FROM CONTINUING OPERATIONS:		
Net income	25,627	25,112
Discontinued operations	2,332	1,784
Income from continuing operations	27,959	26,896
Tax affected reorganization costs (a)	2,229	--
Adjusted income from continuing operations	$30,188	$26,896
RECONCILIATION OF NET INCOME PER DILUTED COMMON SHARE TO ADJUSTED INCOME FROM CONTINUING OPERATIONS PER DILUTED COMMON SHARE:		
Net income	$ 0.78	$ 0.77
Discontinued operations	0.07	0.05
Income from continuing operations	0.85	0.82
Tax affected reorganization costs (a)	0.07	--
Adjusted income from continuing operations	$ 0.92	$ 0.82
Weighted average common shares outstanding (diluted):	32,753	32,688

(a) During the first six months of 2005, the Company incurred severance costs of $3,566 ($2,229 net of tax) associated with our previously announced reorganization.