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):
April 26, 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 April 26, 2005 announcing its financial results for the first quarter ended March 31, 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 April 26, 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: April 26, 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 April 26, 2005.

Investors May Contact:
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Asbury Automotive Group Reports First Quarter Financial Results

-- Excluding Previously Announced Restructuring Costs, Income from Continuing Operations Rose 12% --

-- Same-Store Retail Gross Profit Increased 7% --

New York, NY, April 26, 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 first quarter ended March 31, 2005.

Income from continuing operations for the first quarter was $9.7 million, or $0.30 per diluted share, which includes $3.6 million ($2.2 million after-tax) of costs related to the previously announced regional restructuring. Excluding the restructuring costs, income from continuing operations increased 12 percent to $11.9 million, or $0.36 per diluted share, from $10.7 million, or $0.33 per diluted share, in the prior year period.

Financial highlights for the first quarter of 2005, as compared to the corresponding prior year period, included:

- Total revenue for the quarter was approximately $1.4 billion, up 14 percent. Total gross profit was $210.5 million, a 13 percent increase.
- Same-store retail revenue and gross profit (excluding fleet and wholesale revenue) both increased 7 percent.
- New vehicle retail revenue rose 13 percent (6 percent same-store), and unit sales increased 10 percent (3 percent same-store). New vehicle retail gross profit increased 7 percent (flat on a same-store basis).
- Used vehicle retail revenue increased 12 percent (7 percent same-store), and unit sales rose 5 percent (flat on a same-store basis). Used vehicle retail gross profit increased 11 percent (7 percent same-store).
- Parts, service and collision repair revenue and gross profit both increased 15 percent (10 percent same-store).
- Net finance and insurance (F&I) revenue rose 17 percent (11 percent same-store). F&I per vehicle retailed (PVR) increased 9 percent to $923, and platform F&I PVR rose 9 percent to $894.
- As a percentage of gross profit, selling, general and administrative (SG&A) expenses for the quarter, excluding the restructuring costs and rent expense, were 74.2 percent, down 120 basis points compared to the prior year. Rent expense in 2005 is higher 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 said, "Our business model turned in another well balanced performance during the first quarter. Operationally, the quarter was solid - with many outstanding aspects, as all four business lines posted upper single to double-digit same-store sales increases. Results again were strongest in our service businesses, led by a 10 percent same-store gross profit increase in our parts and service business, which truly reflects a concerted effort in this area. About two years ago, we formed a view that new vehicle margins would be coming under sustained pressure, and therefore set very aggressive growth goals for our parts and service operations. With a focused approach to training and investments in equipment and capacity expansion, we're seeing our efforts pay off.

"The retail side of the business also performed well, as our new vehicle unit volume outperformed the industry during the quarter. By virtue of our strong brand mix, focused on luxury and mid-line import brands, we were able to capitalize on an improved environment at the end of the quarter. We're also confident that our seven percent increase in same-store used vehicle gross profit is industry leading as well."

J. Gordon Smith, Senior Vice President and CFO said, "During the quarter we made significant progress in reorganizing the Company into regions and attaining our targeted annual cost savings. Consistent with our original estimates, we continue to expect the restructuring will reduce earnings by approximately $0.02 to $0.04 per share on a net basis this year, and will increase earnings by approximately $0.10 per share next year."

Mr. Smith continued, "It is important to note, however, that the goal of the restructuring is not simply cost reduction. We have already begun to reap the operational benefits of our new structure, and are pleased with the performance of most of our regional operations during the quarter, especially Florida. Our Florida management team has done an excellent job of integrating the operations of our former Jacksonville and Tampa platforms, as well as strengthening the dealership teams of several of our largest Florida stores."

Mr. Gilman concluded, "While pleased with the quarter's results, we still need to maintain our sales momentum. In addition, the continued implementation of our regional structure and a vigilant focus on expense control will be key in meeting our objectives for the balance of the year."

Commenting on guidance for 2005, the Company noted that it remains comfortable with estimates for earnings per share from continuing operations between $1.70 and $1.78. This range does not reflect the net costs resulting from the regional reorganization nor the potential adoption of Statement of Financial Accounting Standard 123(R).

Asbury will host a conference call to discuss its first 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 800-357-9448; international callers, please dial 312-461-9409. 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 4704293.

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 95 retail auto stores, encompassing 131 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 March 31, 2005	2004
REVENUES:		
New vehicle	$ 806,490	$ 706,759
Used vehicle	345,472	306,924
Parts, service and collision repair	161,709	140,856
Finance and insurance, net	38,290	32,687
Total revenues	1,351,961	1,187,226
COST OF SALES		
New vehicle	750,065	654,053
Used vehicle	314,237	279,939
Parts, service and collision repair	77,165	67,349
Total cost of sales	1,141,467	1,001,341
GROSS PROFIT	210,494	185,885
OPERATING EXPENSES:		
Selling, general and administrative	173,084	148,959
Depreciation and amortization	5,250	5,071
Income from operations	32,160	31,855

OTHER INCOME (EXPENSE):		
Floor plan interest expense	(7,412)	(4,514)
Other interest expense	(9,490)	(10,321)
Interest income	258	273
Other expense	(22)	(202)
Total other expense, net	(16,666)	(14,764)
Income from continuing operations before income taxes	15,494	17,091
INCOME TAX EXPENSE	5,810	6,409
INCOME FROM CONTINUING OPERATIONS	9,684	10,682
DISCONTINUED OPERATIONS, net of tax	(44)	(318)
Net income	$ 9,640	$ 10,364
BASIC EARNINGS PER COMMON SHARE:		
Continuing operations	$ 0.30	$ 0.33
Discontinued operations	-	(0.01)
Net income	$ 0.30	$ 0.32
DILUTED EARNINGS PER COMMON SHARE:		
Continuing operations	$ 0.30	$ 0.33
Discontinued operations	(0.01)	(0.01)
Net income	$ 0.29	$ 0.32
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:		
Basic	32,588	32,435
Diluted	32,781	32,721

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

	As Reported for the Three Months Ended March 31, 2005		As Reported for the Three Months Ended March 31, 2004		Same Store for the Three Months Ended March 31, 2005		Same Store for the Three Months Ended March 31, 2004	
RETAIL VEHICLES SOLD:								
New units	25,604	61.7%	23,312	60.6%	23,911	61.1%	23,312	60.6%
Used units	15,862	38.3%	15,158	39.4%	15,202	38.9%	15,158	39.4%
Total units	41,466	100.0%	38,470	100.0%	39,113	100.0%	38,470	100.0%
REVENUE:								
New retail	$ 779,577	57.7%	$ 692,744	58.3%	$ 734,111	57.3%	$ 692,744	58.3%
Used retail	258,198	19.1%	230,573	19.4%	247,201	19.3%	230,573	19.4%
Parts, service and collision repair	161,709	12.0%	140,856	11.9%	154,622	12.1%	140,856	11.9%
Finance and insurance, net	38,290	2.8%	32,687	2.8%	36,437	2.8%	32,687	2.8%
Total retail revenue	1,237,774		1,096,860		1,172,371		1,096,860	
Fleet	26,913	2.0%	14,015	1.2%	26,640	2.1%	14,016	1.2%
Wholesale	87,274	6.4%	76,351	6.4%	82,066	6.4%	76,060	6.4%
Total revenue	$ 1,351,961	100.0%	$ 1,187,226	100.0%	$ 1,281,077	100.0%	$ 1,186,936	100.0%
GROSS PROFIT								
New retail	$ 55,838	26.5%	$ 52,348	28.2%	$ 52,608	26.2%	$ 52,348	28.2%
Used retail	30,110	14.3%	27,053	14.5%	28,990	14.5%	27,053	14.5%
Parts, service and collision repair	84,544	40.2%	73,507	39.5%	80,906	40.3%	73,507	39.5%
Finance and insurance, net	38,290	18.2%	32,687	17.6%	36,437	18.2%	32,687	17.6%
Total retail gross profit	208,782		185,595		198,941		185,595	
Fleet	587	0.3%	358	0.2%	583	0.3%	358	0.2%
Wholesale	1,125	0.5%	(68)	-%	1,083	0.5%	(68)	-%
Total gross profit	$ 210,494	100.0%	$ 185,885	100.0%	$ 200,607	100.0%	$ 185,885	100.0%
SG&A expenses excluding reorganization costs and rent	156,101		140,250		147,248		140,250	
SG&A (excluding reorganization costs and rent) as a percent of gross profit	74.2%		75.4%		73.4%		75.4%	
GROSS PROFIT PER VEHICLE RETAILED:								
New retail	$ 2,181		$ 2,246		$ 2,200		$ 2,246	
Used retail	1,898		1,785		1,907		1,785	
Finance and insurance, net	923		850		932		850	
Platform finance and insurance, net	894		817		901		817	

	As of March 31, 2005	As of December 31, 2004
BALANCE SHEET HIGHLIGHTS:		
Cash and cash equivalents	$ 39,253	$ 28,093
Inventories	800,479	761,557
Total current assets	1,174,008	1,143,506
Floor plan notes payable	690,319	650,948
Total current liabilities	889,628	847,510
CAPITALIZATION:		
Long-term debt (including current portion)	$ 504,492	$ 526,415
Stockholders' equity	493,608	481,733
Total	$ 998,100	$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 March 31,		Same Store For the Three Months Ended March 31,	
	2005	2004	2005	2004
RECONCILIATION OF FINANCE AND INSURANCE GROSS PROFIT TO PLATFORM FINANCE AND INSURANCE:				
Finance and insurance, net	$ 38,290	$ 32,687	$ 36,437	$ 32,687
Less: corporate finance and insurance	(1,203)	(1,243)	(1,203)	(1,243)
Platform finance and insurance, net	$ 37,087	$ 31,444	$ 35,234	$ 31,444
RETAIL VEHICLES SOLD:				
New retail units	25,604	23,312	23,911	23,312
Used retail units	15,862	15,158	15,202	15,158
Total units	41,466	38,470	39,113	38,470

The Company's operating income was largely impacted by restructuring costs incurred during the first quarter of 2005 and an 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 March 31, 2005	As Reported for the Three Months Ended March 31, 2004	Variance
SG&A expenses	$ 173,084	$ 148,959	$ 24,125
Less: Restructuring costs	(3,624)	--	(3,624)
Rent expense	(13,359)	(8,709)	(4,650)
Adjusted SG&A expenses ...	$ 156,101	$ 140,250	$ 15,851

	Same Store Results for the Three Months Ended March 31, 2005	Same Store Results for the Three Months Ended March 31, 2004	Variance
SG&A expenses	$ 162,888	$ 148,959	$ 13,929
Less: Restructuring costs	(3,624)	--	(3,624)
Rent expense	(12,016)	(8,709)	(3,307)
Adjusted SG&A expenses ...	$ 147,248	$ 140,250	$ 6,998

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 three months ended March 31, 2005 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 Three Months Ended March 31, 2005	2004
RECONCILIATION OF NET INCOME TO ADJUSTED INCOME FROM CONTINUING OPERATIONS:		
Net income	$ 9,640	$10,364
Discontinued operations	44	318
Income from continuing operations	9,684	10,682
Tax affected reorganization costs (a)	2,265	--
Adjusted income from continuing operations	$11,949	$10,682
RECONCILIATION OF NET INCOME PER DILUTED COMMON SHARE TO ADJUSTED INCOME FROM CONTINUING OPERATIONS PER DILUTED COMMON SHARE:		
Net income	$ 0.29	$ 0.32
Discontinued operations	0.01	0.01
Income from continuing operations	0.30	0.33
Tax affected reorganization costs (a)	0.06	--
Adjusted income from continuing operations	$ 0.36	$ 0.33
Weighted average common shares outstanding (diluted):	32,781	32,721

(a) During the first quarter of 2005, the Company incurred severance costs of $3,624 ($2,265 net of tax) associated with our previously announced reorganization.