
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 24, 2013

Asbury Automotive Group, Inc.
(Exact name of registrant as specified in its charter)

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)

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.

Asbury Automotive Group, Inc. (the “Company”) issued an earnings release on April 24, 2013, announcing its financial results for the three months ended March 31, 2013. 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 exhibit is furnished as part of this report.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated April 24, 2013.

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 24, 2013

By: /s/ Craig T. Monaghan

Name: Craig T. Monaghan

Title: President and Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated April 24, 2013.

**Investors May Contact:**

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ASBURY AUTOMOTIVE GROUP ANNOUNCES RECORD 2013 FIRST QUARTER FINANCIAL RESULTS

Record first quarter EPS from continuing operations of \$0.77 per diluted share, up 43% over prior period quarter

Duluth, GA, April 24, 2013 - Asbury Automotive Group, Inc. (NYSE: ABG), one of the largest automotive retail and service companies in the U.S., today reported income from continuing operations for the first quarter 2013 of \$23.9 million, or \$0.77 per diluted share, versus income from continuing operations in the first quarter 2012 of \$17.2 million, or \$0.54 per diluted share, a 43% increase per diluted share. Net income for the first quarter 2013 was \$32.5 million, or \$1.04 per diluted share, compared to \$17.6 million, or \$0.56 per diluted share in the prior year period. Included in net income for the first quarter 2013, as part of discontinued operations, is an after tax gain of \$8.9 million, or \$0.29 per diluted share, from the sale of a mid-line import store.

First Quarter 2013 Highlights (compared to the prior year period):

- Total revenues increased 15% to \$1.2 billion
- New vehicle retail revenues up 16%; gross profit up 6%
- Used vehicle retail revenues up 16%; gross profit up 11%
- Finance and insurance revenues up 25%
- Parts and service gross profit up 9%
- Total gross profit up 12% with increases from all business lines
- SG&A expense as a percent of gross profit improved 290 basis points to 71.6%

- Repurchased \$7.5 million shares, on pace with the annual goal of \$25 to \$30 million

“Asbury is pleased to announce our fourth consecutive record quarterly results,” said Craig T. Monaghan, Asbury's President and Chief Executive Officer. “I am thrilled with the success our stores are demonstrating in an extremely competitive industry that is benefiting from recovering sales volumes, attractive financing rates and the availability of great new products. With the right strategies and brands, our people are making the difference.”

Asbury's Executive Vice President and Chief Operating Officer, Michael S. Kearney, added, “The strength of our performance across all business lines is the result of our team fully committed to the process and goal of becoming an industry-leading automotive retailer. The teams in our stores produced record operating profits during the first quarter. We are asking a lot from our teams and they are delivering.”

Asbury will host a conference call to discuss its first quarter results this morning at 11:00 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 (888) 312-3048 (domestic), or (719) 457-2661 (international); passcode - 1092184. Callers should dial in approximately 5 to 10 minutes before the call begins.

About Asbury Automotive Group, Inc.

Asbury Automotive Group, Inc. (“Asbury”), headquartered in Duluth, Georgia, a suburb of Atlanta, is one of the largest automobile retailers in the U.S. Built through a combination of organic growth and a series of strategic acquisitions, Asbury currently operates 76 retail auto stores, encompassing 97 franchises for the sale and servicing of 29 different brands of American, European and Asian automobiles. 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, the benefits of its restructuring program 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, particularly upcoming maturities, 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, 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 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 March 31,	
	2013	2012
REVENUES:		
New vehicle	\$ 664.5	\$ 574.9
Used vehicle	366.3	316.7
Parts and service	147.6	140.7
Finance and insurance, net	47.0	37.7
Total revenues	1,225.4	1,070.0
COST OF SALES:		
New vehicle	623.8	536.4
Used vehicle	335.0	288.7
Parts and service	59.9	60.4
Total cost of sales	1,018.7	885.5
GROSS PROFIT	206.7	184.5
OPERATING EXPENSES:		
Selling, general and administrative	148.1	137.4
Depreciation and amortization	5.9	5.7
Other operating expense, net	0.1	—
Income from operations	52.6	41.4
OTHER EXPENSES:		
Floor plan interest expense	(3.1)	(2.7)
Other interest expense, net	(9.2)	(9.2)
Swap interest expense	(1.2)	(1.3)
Convertible debt discount amortization	—	(0.1)
Total other expenses, net	(13.5)	(13.3)
Income before income taxes	39.1	28.1
INCOME TAX EXPENSE	15.2	10.9
INCOME FROM CONTINUING OPERATIONS	23.9	17.2
DISCONTINUED OPERATIONS, net of tax	8.6	0.4
NET INCOME	\$ 32.5	\$ 17.6
EARNINGS PER COMMON SHARE:		
Basic—		
Continuing operations	\$ 0.77	\$ 0.55
Discontinued operations	0.28	0.02
Net income	\$ 1.05	\$ 0.57
Diluted—		
Continuing operations	\$ 0.77	\$ 0.54
Discontinued operations	0.27	0.02
Net income	\$ 1.04	\$ 0.56
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:		
Basic		
Stock options	—	0.3
Restricted stock	0.2	0.2
Performance share units	0.1	0.1
Diluted	31.2	31.7

New Vehicle-

	For the Three Months Ended March 31,		Increase (Decrease)	% Change
	2013	2012		
(Dollars in millions, except for per vehicle data)				
Revenue:				
New vehicle revenue—same store(1)				
Luxury	\$ 235.4	\$ 197.2	\$ 38.2	19 %
Mid-line import	323.6	290.5	33.1	11 %
Mid-line domestic	96.5	87.2	9.3	11 %
Total new vehicle revenue—same store(1)	655.5	574.9	80.6	14 %
New vehicle revenue—acquisitions	9.0	—		
New vehicle revenue, as reported	\$ 664.5	\$ 574.9	\$ 89.6	16 %
Gross profit:				
New vehicle gross profit—same store(1)				
Luxury	\$ 16.9	\$ 15.3	\$ 1.6	10 %
Mid-line import	16.8	17.2	(0.4)	(2)%
Mid-line domestic	6.5	6.0	0.5	8 %
Total new vehicle gross profit—same store(1)	40.2	38.5	1.7	4 %
New vehicle gross profit—acquisitions	0.5	—		
New vehicle gross profit, as reported	\$ 40.7	\$ 38.5	\$ 2.2	6 %

	For the Three Months Ended March 31,		Increase (Decrease)	% Change
	2013	2012		
New vehicle units:				
New vehicle retail units—same store(1)				
Luxury	4,692	3,933	759	19 %
Mid-line import	12,103	11,030	1,073	10 %
Mid-line domestic	2,704	2,438	266	11 %
Total new vehicle retail units—same store(1)	19,499	17,401	2,098	12 %
Fleet vehicles	319	579	(260)	(45)%
Total new vehicle units—same store(1)	19,818	17,980	1,838	10 %
New vehicle units—acquisitions	223	—		
New vehicle units—actual	20,041	17,980	2,061	11 %

New Vehicle Metrics-

	For the Three Months Ended March 31,		Increase (Decrease)	% Change
	2013	2012		
Revenue per new vehicle sold—same store(1)	<u>\$ 33,076</u>	<u>\$ 31,974</u>	\$ 1,102	3 %
Gross profit per new vehicle sold—same store(1)	<u>\$ 2,028</u>	<u>\$ 2,141</u>	\$ (113)	(5)%
New vehicle gross margin—same store(1)	<u>6.1%</u>	<u>6.7%</u>	(0.6)%	(9)%

- (1) Same store amounts consist of information from dealerships for the identical months of each period presented in the comparison, commencing with the first full month in which the dealership was owned by us.

Used Vehicle-

	For the Three Months Ended March 31,			%
	2013	2012	Increase	Change
(Dollars in millions, except for per vehicle data)				
Revenue:				
Used vehicle retail revenues—same store(1)	\$ 312.9	\$ 273.5	\$ 39.4	14%
Used vehicle retail revenues—acquisitions	5.6	—		
Total used vehicle retail revenues	318.5	273.5	45.0	16%
Used vehicle wholesale revenues—same store(1)	47.3	43.2	4.1	9%
Used vehicle wholesale revenues—acquisitions	0.5	—		
Total used vehicle wholesale revenues	47.8	43.2	4.6	11%
Used vehicle revenue, as reported	<u>\$ 366.3</u>	<u>\$ 316.7</u>	\$ 49.6	16%
Gross profit:				
Used vehicle retail gross profit—same store(1)	\$ 29.8	\$ 27.4	\$ 2.4	9%
Used vehicle retail gross profit—acquisitions	0.7	—		
Total used vehicle retail gross profit	30.5	27.4	3.1	11%
Used vehicle wholesale gross profit—same store(1)	0.8	0.6	0.2	33%
Used vehicle wholesale gross profit—acquisitions	—	—		
Total used vehicle wholesale gross profit	0.8	0.6	0.2	33%
Used vehicle gross profit, as reported	<u>\$ 31.3</u>	<u>\$ 28.0</u>	\$ 3.3	12%
Used vehicle retail units:				
Used vehicle retail units—same store(1)	16,135	14,794	1,341	9%
Used vehicle retail units—acquisitions	208	—		
Used vehicle retail units—actual	16,343	14,794	1,549	10%

Used Vehicle Metrics-

	For the Three Months Ended March 31,		Increase (Decrease)	% Change
	2013	2012		
Revenue per used vehicle retailed—same store(1)	\$ 19,393	\$ 18,487	\$ 906	5 %
Gross profit per used vehicle retailed—same store(1)	\$ 1,847	\$ 1,852	\$ (5)	— %
Used vehicle retail gross margin—same store(1)	9.5%	10.0%	(0.5)%	(5)%

- (1) Same store amounts consist of information from dealerships for the identical months of each period presented in the comparison, commencing with the first full month in which the dealership was owned by us.

Parts and Service-

	For the Three Months Ended March 31,			%
	2013	2012	Increase	Change
	(Dollars in millions)			
Revenue:				
Parts and service revenue—same store(1)	\$ 145.6	\$ 140.7	\$ 4.9	3%
Parts and service revenues—acquisitions	2.0	—		
Parts and service revenue, as reported	<u>\$ 147.6</u>	<u>\$ 140.7</u>	\$ 6.9	5%
Gross profit:				
Parts and service gross profit—same store(1)				
Customer pay	\$ 51.6	\$ 49.5	\$ 2.1	4%
Reconditioning and preparation	19.1	16.0	3.1	19%
Warranty	11.0	10.0	1.0	10%
Wholesale parts	4.9	4.8	0.1	2%
Total parts and service gross profit—same store(1)	<u>86.6</u>	<u>80.3</u>	6.3	8%
Parts and service gross profit—acquisitions	1.1	—		
Parts and service gross profit, as reported	<u>\$ 87.7</u>	<u>\$ 80.3</u>	\$ 7.4	9%
Parts and service gross margin—same store(1)	59.4%	57.1%	2.3%	4%

- (1) Same store amounts consist of information from dealerships for the identical months of each period presented in the comparison, commencing with the first full month in which the dealership was owned by us.

Finance and Insurance, net-

	For the Three Months Ended March 31,			%
	2013	2012	Increase	Change
(Dollars in millions, except for per vehicle data)				
Finance and insurance, net—same store(1)	\$ 46.5	\$ 37.7	\$ 8.8	23%
Finance and insurance, net—acquisitions	0.5	—		
Finance and insurance, net as reported	<u>\$ 47.0</u>	<u>\$ 37.7</u>	\$ 9.3	25%
Finance and insurance, net per vehicle sold—same store(1)	<u>\$ 1,293</u>	<u>\$ 1,150</u>	\$ 143	12%

- (1) Same store amounts consist of information from dealerships for the identical months of each period presented in the comparison, commencing with the first full month in which the dealership was owned by us.

	For the Three Months Ended March 31,	
	2013	2012
REVENUE MIX PERCENTAGES:		
New vehicles	54.2%	53.7%
Used retail vehicles	26.1%	25.7%
Used vehicle wholesale	3.9%	4.0%
Parts and service	12.0%	13.1%
Finance and insurance, net	3.8%	3.5%
Total revenue	100.0%	100.0%
GROSS PROFIT MIX PERCENTAGES:		
New vehicles	19.7%	20.9%
Used retail vehicles	14.8%	14.9%
Used vehicle wholesale	0.4%	0.3%
Parts and service	42.4%	43.5%
Finance and insurance, net	22.7%	20.4%
Total gross profit	100.0%	100.0%
SG&A EXPENSES AS A PERCENTAGE OF GROSS PROFIT	71.6%	74.5%

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

	March 31, 2013	December 31, 2012	Increase (Decrease)	% Change
SELECTED BALANCE SHEET DATA				
Cash and cash equivalents	\$ 0.1	\$ 6.2	\$ (6.1)	(98)%
New vehicle inventory	556.6	517.4	39.2	8 %
Used vehicle inventory	109.6	94.6	15.0	16 %
Parts inventory	37.7	36.5	1.2	3 %
Total current assets	984.2	986.4	(2.2)	— %
Floor plan notes payable	524.0	556.7	(32.7)	(6)%
Total current liabilities	738.2	779.8	(41.6)	(5)%
CAPITALIZATION:				
Long-term debt (including current portion)	\$ 477.3	\$ 466.0	\$ 11.3	2 %
Shareholders' equity	429.0	402.8	26.2	7 %
Total	<u>\$ 906.3</u>	<u>\$ 868.8</u>	\$ 37.5	4 %

Brand Mix - New Vehicle Revenue by Brand-

	For the Three Months Ended March 31,	
	2013	2012
Luxury		
BMW	10%	8%
Mercedes-Benz	6%	7%
Lexus	6%	6%
Acura	4%	4%
Infiniti	4%	5%
Other luxury	6%	4%
Total luxury	36%	34%
Mid-Line Imports:		
Honda	20%	21%
Nissan	13%	14%
Toyota	12%	12%
Other imports	4%	4%
Total imports	49%	51%
Mid-Line Domestic:		
Ford	8%	8%
Chevrolet	2%	3%
Dodge	3%	3%
Other domestics	2%	1%
Total domestic	15%	15%
Total New Vehicle Revenue	<u>100%</u>	<u>100%</u>

Selling, General and Administrative Expense (“SG&A”)-

	For the Three Months Ended March 31,					% of Gross Profit Decrease
	2013	% of Gross Profit	2012	% of Gross Profit	Increase (Decrease)	
	(Dollars in millions)					
SG&A, excluding rent expense	\$ 139.4	67.4%	\$ 128.5	69.6%	\$ 10.9	(2.2)%
Rent expense	8.7	4.2%	8.9	4.8%	(0.2)	(0.6)%
SG&A-total	<u>\$ 148.1</u>	<u>71.6%</u>	<u>\$ 137.4</u>	<u>74.5%</u>	<u>\$ 10.7</u>	<u>(2.9)%</u>
Gross profit	<u>\$ 206.7</u>		<u>\$ 184.5</u>			

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 "EBITDA" and "Adjusted leverage ratio." 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 connection 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 its 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.

	For the Twelve Months Ended	
	March 31, 2013	December 31, 2012
	(Dollars in millions)	
<u>Adjusted leverage ratio:</u>		
Book value of long-term debt (including current portion)	\$ 477.3	\$ 466.0
Calculation of earnings before interest, taxes, depreciation and amortization ("EBITDA"):		
Income from continuing operations	\$ 89.9	\$ 83.3
Add:		
Depreciation and amortization	22.8	22.6
Income tax expense	54.4	50.0
Convertible debt discount amortization	0.3	0.4
Swap and other interest expense	40.6	40.6
Earnings before interest, taxes, depreciation and amortization ("EBITDA")	\$ 208.0	\$ 196.9
Adjusted leverage ratio	2.3	2.4