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 6, 2020

Asbury Automotive Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-31262	**01-0609375**
(Commission File Number)	**(IRS Employer Identification No.)**
2905 Premiere Parkway NW Suite 300	
Duluth, GA	**30097**
(Address of principal executive offices)	(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))

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.

On July 6, 2020 Asbury Automotive Group, LLC ("Purchaser"), a Delaware limited liability company and a wholly-owned subsidiary of Asbury Automotive Group, Inc., a Delaware corporation (the "Company"), entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with certain members of the Park Place Dealership group, Park Place Mid-Cities, Ltd., a Texas limited partnership, and the identified principal pursuant to which the Purchaser will acquire all of the assets of, and lease the real property related to, 12 new vehicle dealership franchises (3 Mercedes-Benz, 3 Sprinter, 2 Lexus, 1 Jaguar, 1 Land Rover, 1 Porsche, and 1 Volvo), 2 collision centers and an auto auction comprising the Park Place Dealership group (collectively, the "Transaction") for a purchase price of approximately $685 million of goodwill and approximately $50 million for parts, fixed assets, and leaseholds (excluding vehicle inventory), subject to certain adjustments described in the Asset Purchase Agreement. The purchase price would be financed through a combination of cash, debt and seller financing.

The Asset Purchase Agreement contains customary representations and warranties made by each of the parties and Purchaser and sellers have agreed to indemnify one another against certain damages, subject to certain exceptions and limitations. The closing of the Transaction is subject to various customary closing conditions, including receipt of approval of the Transaction by the applicable automotive manufacturers. The Asset Purchase Agreement is not subject to any financing condition. In connection with the execution of the Asset Purchase Agreement, Purchaser will deliver a certain sum of money to a third-party escrow agent (the "Earnest Money") to be applied as partial payment of the purchase price. The Asset Purchase Agreement also contains certain termination rights of Purchaser and sellers. Depending upon the circumstance of any termination, the Earnest Money will either be returned to Purchaser or delivered to sellers as a payment of liquidated damages.

The foregoing description of the Asset Purchase Agreement is a summary, which is qualified in its entirety by reference to the Asset Purchase Agreement, a copy of which will be filed with the Company's next Quarterly Report on Form 10-Q.

Item 2.02 Results of Operations and Financial Condition.

On July 6, 2020, the Company issued a press release announcing, among other things, certain preliminary unaudited financial results for the fiscal quarter ended June 30, 2020. A copy of the press release is attached as Exhibit 99.1 hereto and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On July 6, 2020, the Company issued a press release announcing the Transaction and certain preliminary unaudited financial results for the fiscal quarter ended June 30, 2020, a copy of which is furnished herewith as Exhibit 99.1 and incorporated herein by reference. Also on July [6], 2020, the Company posted on its website at https://www.asburyauto.com an investor presentation regarding the Transaction and certain preliminary unaudited financial results for the fiscal quarter ended June 30, 2020, a copy of which is furnished herewith as Exhibit 99.2 and incorporated herein by reference.

The information contained in this Item 7.01, including Exhibits 99.1 and 99.2, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any registration statement or other filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference to such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are furnished as part of this report.

Exhibit No.	Description
99.1	Press Release, dated July 6, 2020
99.2	Investor Presentation, dated July 6, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 6, 2020	By:	/s/ George A Villasana
	Name:	**George A. Villasana**
	Title:	**Senior Vice President, General Counsel & Secretary**

Exhibit 99.1

ASBURY
AUTOMOTIVE GROUP

Investors & Reporters May Contact:
Matt Pettoni
VP of Finance & Treasurer
(770) 418-8219
ir@asburyauto.com

ASBURY AUTOMOTIVE GROUP ANNOUNCES ACQUISITION OF PARK PLACE DEALERSHIPS AND PROVIDES UPDATE ON RECENT PERFORMANCE

Acquisition includes revised transaction terms from the previously-announced transaction on December 11, 2019

Business dramatically improves in May and June

Streamlined cost structure supporting continued profitability and cash flow generation

Acquisition expected to be immediately accretive to cash flow and earnings

DULUTH, GA, July 6, 2020 - Asbury Automotive Group, Inc. (NYSE: ABG), one of the largest automotive retail and service companies in the U.S., entered into a definitive agreement to acquire certain assets of Park Place Dealerships, one of the country's largest and most prominent luxury dealer groups for $685 million of goodwill and approximately $50 million for parts, fixed assets, and leaseholds, excluding vehicle inventory.

"We are pleased our business model and performance allowed us to navigate the current environment and re-engage on a highly strategic acquisition that will make us an even stronger company. We have seen our new and used volume sequentially improve each week in May and June with higher profit per vehicle. We have also seen our Parts and Service business improve in June as the economy gradually opens-up. Strong May and June performance, along with cost restructuring efforts, have driven higher profitability and cash flow, giving us conviction to move forward with a revised Park Place acquisition. In March, we had to step away from the transaction due to lack of visibility around COVID-19, but after seeing the rebound off the April low, we can proceed with a more refined deal under more flexible and favorable terms" said David Hult, Asbury's President and Chief Executive Officer.

“Park Place is highly regarded as one of the best and most efficient operators of luxury stores in the industry. Their portfolio of stores comes with a strong base of loyal clients and long-tenured team members throughout the high growth Dallas/Fort Worth market. This acquisition will enhance our total portfolio and add approximately $1.7 billion in expected annualized revenues. We are thankful to all of our employees who have worked so hard over the last few months to manage through this pandemic. The talent in our organization and the resilience of the dealer model have put us in a position to acquire Park Place and become a more diversified company,” Hult added.

The operating assets to be acquired include 12 new vehicle franchises, all of which are located in the attractive Dallas/Fort Worth market: 3 Mercedes-Benz, 3 Sprinter, 2 Lexus, 1 Jaguar and 1 Land Rover, 1 Porsche, and 1 Volvo. The acquisition will also include the Park Place auto auction and two collision centers.

The transaction is expected to increase Asbury’s geographic mix to 28% of revenue derived from the Texas market, and further diversify the Company’s overall portfolio from 36% to approximately 49% of revenue derived from luxury brands. The luxury segment has historically delivered strong and stable margins that are significantly above those achieved by mid-line import and domestic brands. Luxury stores also tend to be more resilient in downturns, operate fewer dealers nation-wide and maintain a higher portion of gross profit from parts and service.

Park Place has a highly attractive mix of large dealerships with revenue comprised of 38% Mercedes-Benz, 37% Lexus, 12% Jaguar/Land Rover, 9% Porsche, and 5% Volvo.

Park Place owns and operates a portfolio of high volume, award winning luxury dealerships with premier real estate. Four stores are ranked among the top 10 stores in volume in the country amongst their franchise: Mercedes-Benz, Lexus, Porsche, and the Jaguar/Land Rover store. In addition, the other Lexus store and the Volvo store are ranked in the top 20 nationally.

Financial Impact

The purchase price includes $685 million of goodwill and approximately $50 million for parts, fixed assets, and leaseholds, excluding vehicle inventory. The transaction is targeted to close in the third quarter of 2020. It is subject to customary closing conditions.

The Company expects to achieve significant synergies over the next three years through integrating Park Place with Asbury. The purchase price reflects a 7.7x multiple on targeted EBITDA of $95 million, including run-rate synergies of at least $20 million, expected to be realized over the next three years. In addition, Asbury is expecting $10 million in annual cash tax savings from goodwill amortization with a present value of approximately $80 million. In all, the Company believes the returns on the Park Place investment will exceed its cost of capital and will deliver substantial value to shareholders.

The acquisition of Park Place, assuming an end of August close, is expected to be accretive to 2021 earnings. Asbury also expects to incur pre-tax costs associated with the transaction of approximately $0.20 per share in Q3 2020.

Q2 2020 Preliminary Monthly Results

The following table presents selected preliminary unaudited financial results as of, and for, each of the three months ended June 30, 2020. The unaudited financial results reflects our preliminary estimates based on currently available information. Our financial closing procedures for the three months ended June 30, 2020 are not yet complete and, as a result, our final results upon completion of our closing procedures may vary from these preliminary estimates. Estimates of results are inherently uncertain and subject to change, and we undertake no obligation to update this information. These estimates should not be viewed as a substitute for interim financial statements prepared in accordance with U.S. GAAP. Our independent registered public accounting firm has not conducted a review of and does not express an opinion or any other form of assurance with respect to, these preliminary estimates.

			Estimates
	April	**May**	**June**
Same store:			
New unit growth	-34%	-20%	-16%
Used unit growth	-38%	-7%	+1%
P&S gross profit growth	-47%	-36%	0%
New margin	4.8%	4.5%	5.7%
Used margin	5.6%	7.0%	8.9%
F&I PVR	$ 1,604	$ 1,704	$ 1,823
All stores:			
SG&A as a % of gross profit	80%	63%	55%
Pre-tax income ($ millions)	$ 3m*	$ 21m	$ 41m
Pre-tax income growth	-91%	7%	105%

**includes approximately $5m of guaranteed pay in April for employees*

The Company ended June with strong liquidity position of approximately $730 million of available liquidity, including cash, floor plan offsets, revolver, and used vehicle line. The Park Place transaction is expected to be funded through a combination of Asbury's existing credit facilities, seller financing, and cash on hand. Although the transaction is expected to initially take the Company above its targeted leverage range, the strength of the business combined with free cash flow generation is expected to allow the Company to maintain a strong credit profile and deleverage to 3.0x within eighteen months.

BofA Securities served as financial advisor to Asbury Automotive Group; Hill Ward Henderson and Jones Day acted as legal counsel to Asbury. The Presidio Group served as financial advisor to Park Place Dealerships and Locke Lord acted as legal counsel to Park Place Dealerships.

Additional information regarding the transaction will be provided during a conference call on July 7, 2020 at 9:00 a.m., Eastern Time. The conference call will be simulcast live on the internet and can be accessed at 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 - 6655993. 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 - 6655993.

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 83 dealerships, consisting of 102 franchises, representing 31 domestic and foreign brands of vehicles. Asbury also operates 24 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

To the extent that statements in this presentation are not recitations of historical fact, such statements constitute “forward-looking statements" as such term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements in this presentation may include statements relating to goals, plans, expectations, projections regarding the expected benefits of the proposed transaction, managements plans, projections and objectives for future operations, scale and performance, integration plans and expected synergies therefrom, the timing of completion of the proposed transaction, our financial position, results of operations, market position, capital allocation strategy, business strategy and expectations of our management with respect to, among other things: changes in general economic and business conditions, including the impact of COVID-19 on the automotive industry in general, the automotive retail industry in particular and our customers, suppliers, vendors and business partners; our preliminary financial results for the period ending June 30, 2020; our relationships with vehicle manufacturers; our ability to improve our margins; operating cash flows and availability of capital; capital expenditures; the amount of our indebtedness; the completion of pending and future acquisitions and divestitures; future return targets; future annual savings; general economic trends, including consumer confidence levels, interest rates, and fuel prices; and automotive retail industry trends.

The following are some but not all of the factors that could cause actual results or events to differ materially from those anticipated, including: the occurrence of any event, change or other circumstances that could give rise to the termination of the asset purchase agreement; the risk that the necessary manufacturer approvals may not be obtained; the risk that the necessary regulatory approvals may not be obtained or may be obtained subject to conditions that are not anticipated; the risk that the proposed transaction will not be consummated in a timely manner; risks that any of the closing conditions to the proposed acquisition may not be satisfied or may not be satisfied in a timely manner; risks related to disruption of management time from ongoing business operations due to the proposed acquisition; failure to realize the benefits expected from the proposed acquisition; failure to promptly and effectively integrate the acquisition; and the effect of the announcement of the proposed acquisition on their operating results and businesses and on the ability of Asbury and Park Place Dealerships to retain and hire key personnel, maintain relationships with suppliers; our ability to execute our business strategy; our financial closing procedures for the three months ended June 30, 2020, which may cause final results upon completion of our closing procedures to vary from the preliminary estimates, which were prepared by the Company's management, based upon a number of assumptions and additional items that could require material adjustments to the preliminary financial information; the annual rate of new vehicle sales in the U.S.; our ability to generate sufficient cash flows; our ability to improve our liquidity position; market factors and the future economic environment, including consumer confidence, interest rates, the price of oil and gasoline, the level of manufacturer incentives and the availability of consumer credit; the reputation and financial condition of vehicle manufacturers whose brands we represent and our relationships with such manufacturers, and their ability to design, manufacture, deliver and market their vehicles successfully; significant disruptions in the production and delivery of vehicles and parts for any reason, including natural disasters, affecting the manufacturers whose brand we sell; our ability to enter into, maintain and/or renew our framework and dealership agreements on favorable terms; the inability of our dealership operations to perform at expected levels or achieve expected return targets; our ability to successfully integrate recent and future acquisitions; changes in, failure or inability to comply with, laws and regulations governing the operation of automobile franchises, accounting standards, the environment and taxation requirements; our ability to leverage gains from our dealership portfolio; high levels of competition in the automotive retailing industry which may create pricing pressures on the products and services we offer; our ability to minimize operating expenses or adjust our cost structure; our ability to execute our capital expenditure plans; our ability to capitalize on opportunities to repurchase our debt and equity securities; our ability to achieve estimated future savings from our various cost saving initiatives and strategies; our ability to comply with our debt or lease covenants and obtain waivers for the covenants as necessary; and any negative outcome from any future litigation. These risks, uncertainties and other factors are disclosed in Asbury's Annual Report on Form 10-K, subsequent quarterly reports on Form 10-Q and other periodic and current reports filed with the Securities and Exchange Commission from time to time.

These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this presentation. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, whether as a result of new information, future events or otherwise.

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AUTOMOTIVE GROUP

Business Update and Acquisition of Park Place Dealerships
July 6, 2020

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Asbury's Acquisition of Park Place – Opportunity to Re-engage and Re-negotiate

1. **Asbury business quickly rebounding from COVID-19 low point in April (SAAR at 8.6M)**
2. **Momentum and expense re-alignment expected to drive enhanced profitability and cash flow**
3. **Acquisition enhances scale, diversification and capabilities, consistent with Asbury's strategy**
4. **Revised deal terms offer more flexibility and allow Asbury to maintain stronger liquidity**
5. **Acquisition expected to be immediately accretive to cash flow and EPS and create long term value**

1 Business Update – Successfully Navigating COVID-19

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- Strong rebound in May and June with PTI consistent with pre-COVID levels
- Recent performance and accelerating trends support a positive current outlook for back half o
- New volume for June down from LY due to lower inventory levels, but gross per unit up 46% ov
- Used volume for June up 1% YOY, with gross per unit up 27%
- Resilient, higher margin Parts and Service business bouncing back to near pre-COVID levels, supporting higher gross profit
- Flexibility of cost structure has resulted in:
  - Profitability every month throughout COVID, with May and June above prior year
  - Improved SG&A leverage that builds upon industry-leading margins
  - Pre-COVID levels of dollar profitability despite lower sales
- Cash flow and liquidity remain strong; estimating $730 million of liquidity at end of Q2

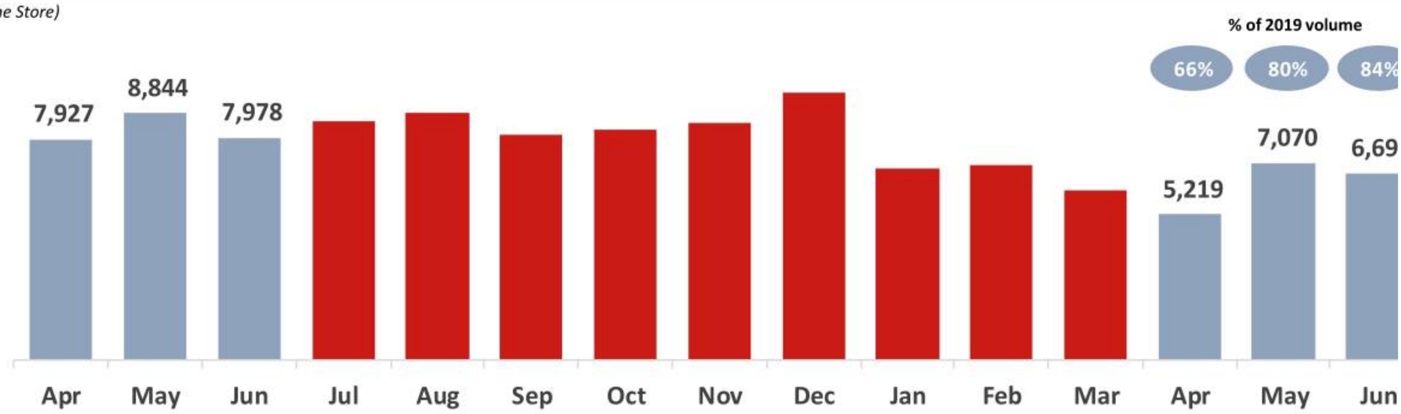
Asbury business model proven to be flexible and profitable even in challenging macro environment

Note: New and Used Vehicle performance data comparisons are presented on a same store basis

1 New and Used Car Sales Recovering

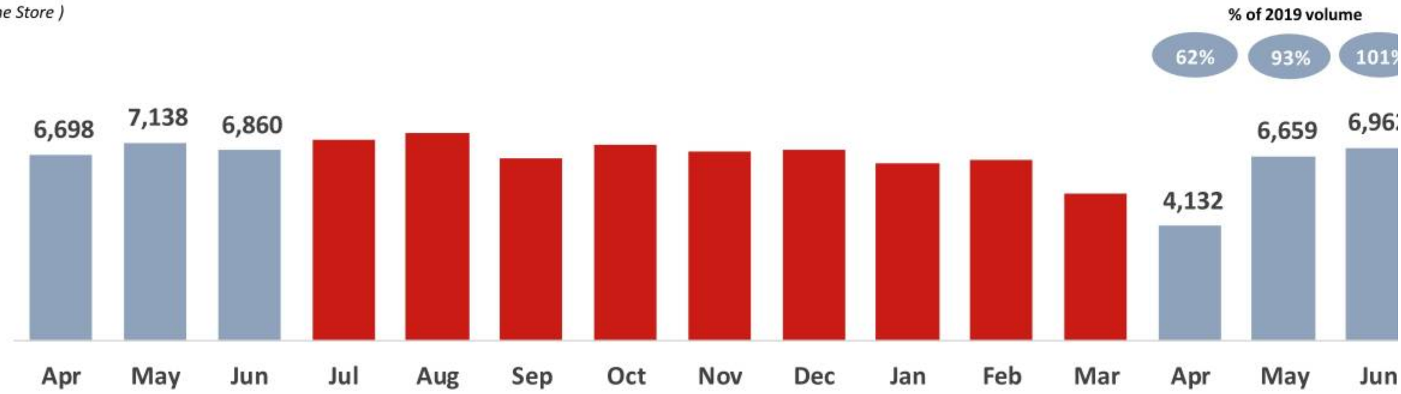
New Vehicle Unit Sales

(Same Store)



Used Retail Vehicle Unit Sales

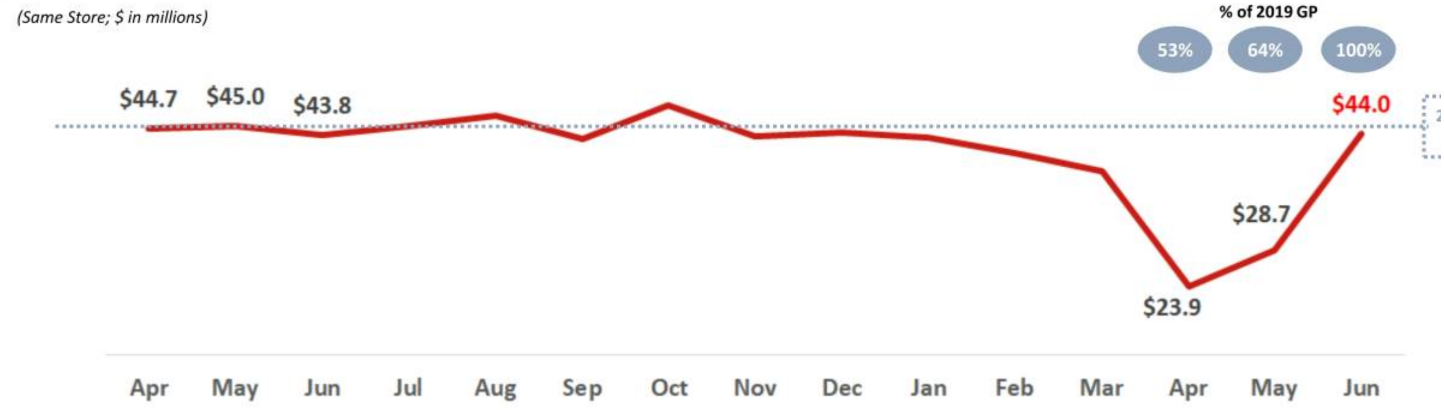
(Same Store)



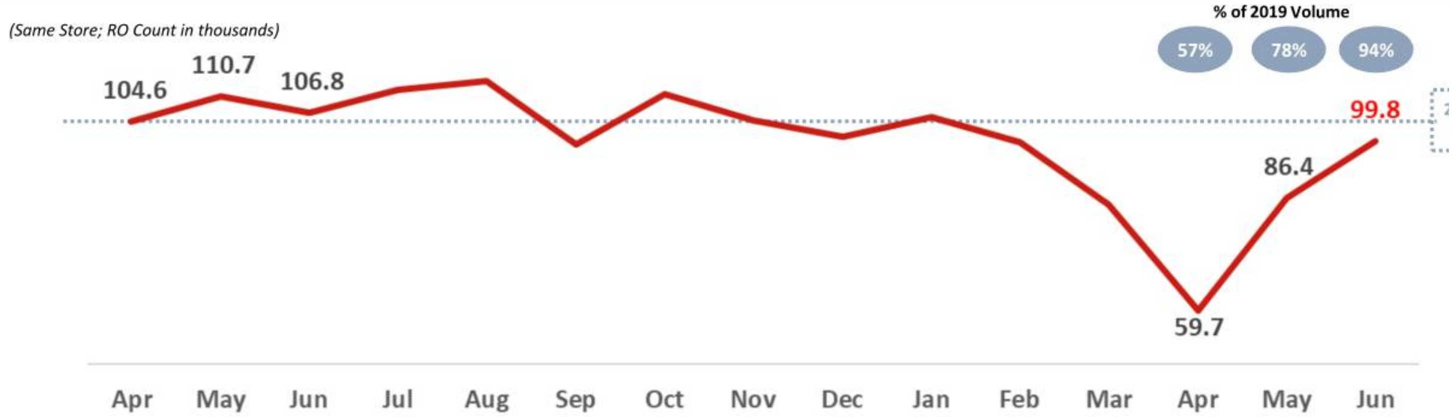
Unit sales have rebounded and are fast approaching levels from a year ago

Parts & Service Gross Profit Improving

Parts & Services Gross Profit



Customer Pay Repair Order Traffic



Parts and service coming back as economy opens up and guest traffic increases

2 Actions Taken During COVID-19 Pandemic

- Top priority remains maintaining the health and safety of our employees and guests
- Reduced store hours and adjusted business in compliance with relevant guidelines
- Significantly reduced marketing expenses
- Accelerated and increased focus on digital and on-line activities
- Deferred most non-essential capital expenditures
- Guaranteed pay throughout Q2 for all active field operations at onset of COVID-19
- Invested in technicians early on in the pandemic with guaranteed pay to ensure retention of st and support the rebound in Parts & Service business
- Reduced workforce by 1,300 employees to help rationalize expense structure to align with environment; did not furlough technicians
- Instituted temporary pay reductions for board members, senior management, and employees

Immediate action helped maintain health and safety, while ensuring continued financial strength and flexibility

Asbury on Firm Footing with Quick Recovery and Positive Momentum [1]

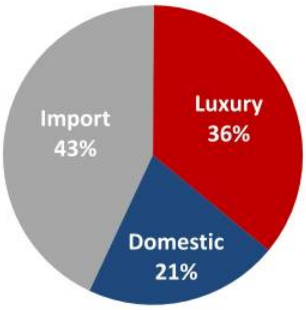
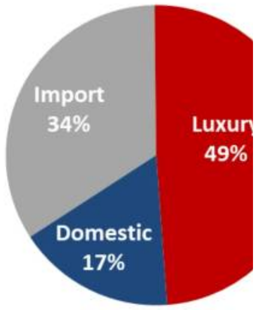
	April	May	June Estimates
Same store:			
New unit growth	-34%	-20%	-16%
Used unit growth	-38%	-7%	1%
P&S gross profit growth	-47%	-36%	0%
New margin	4.8%	4.5%	5.7%
Used margin	5.6%	7.0%	8.9%
F&I PVR	$ 1,604	$ 1,704	$ 1,823
All stores:			
SG&A as a % of gross profit	80%	63%	55%
Pre-tax income	$ 3 [2]	$ 21	$ 41
Pre-tax income growth	-91%	7%	105%

Disciplined planning delivered strong results

1) The table presents selected preliminary unaudited financial results as of, and for, each of the three months ended 6/30/2020. The unaudited financial results reflects our preliminary estimates based on currently available information. Our financial closing the three months ended 6/30/2020 are not yet complete and, as a result, our final results may vary from these preliminary estimates. Estimates of results are inherently uncertain and subject to change, and we undertake no obligation to update this info

2) Includes approximately $5m of guaranteed pay in April for front-line operations employees

3 Park Place Addition Transforms Asbury into Stronger, More Diverse Company

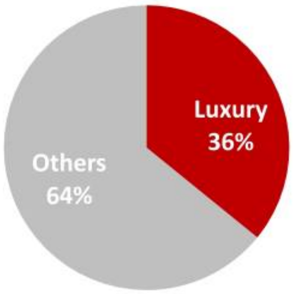
	Asbury[1]	Park Place[1]	Pro Forma[2]
Revenue by Category			
Dealerships	83	8	91
Revenue (MM)	$7,210	$1,750	$8,960
Revenue per dealership (MM)	$87	$219	$98
Adj. EBITDA (MM)[4]	$333	$95[3]	$428
New Vehicles Sold	105,243	12,990	118,233
Used Vehicles Sold	88,602	11,913	100,515

The two companies are stronger together, with attractive revenue and improved expense synergies

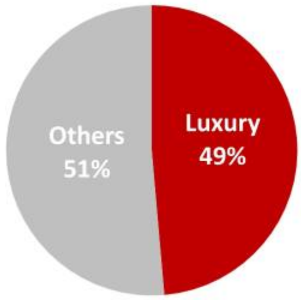
(1) Based on total revenue for twelve months ended Dec. 31, 2019. Dealerships as of March 30, 2020
(2) Pro forma revenue based on Asbury and Park Place total revenue for LTM ended Dec. 31, 2019.
(3) Target year 3 EBITDA including $20M of run rate synergies
(4) Asbury Adj. EBITDA as disclosed in Q4 2019 earnings release

3 Benefits of Luxury Dealerships

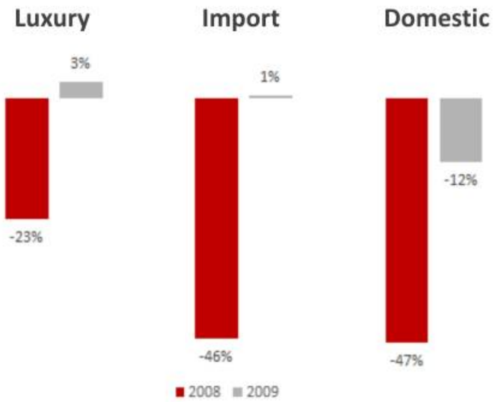
Asbury(1)



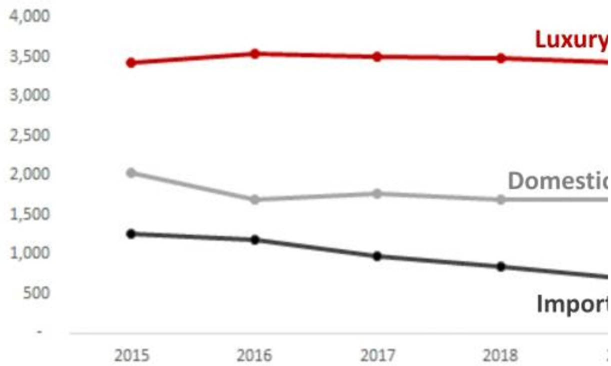
Pro Forma(2)



Asbury's Pre-tax Store Level Income(3)



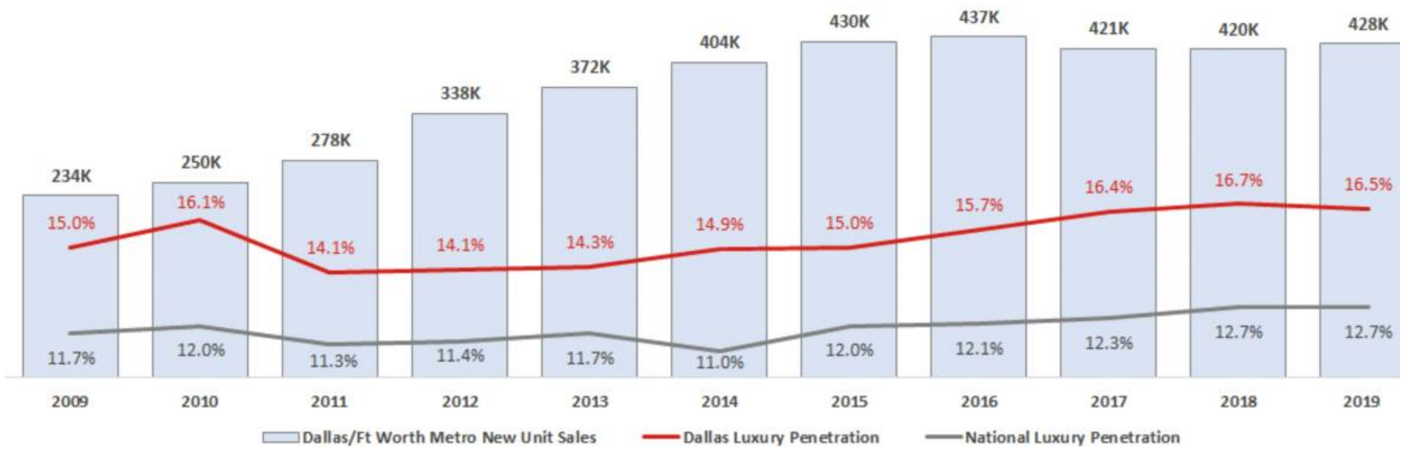
Asbury's New Vehicle Gross Profit Per Unit



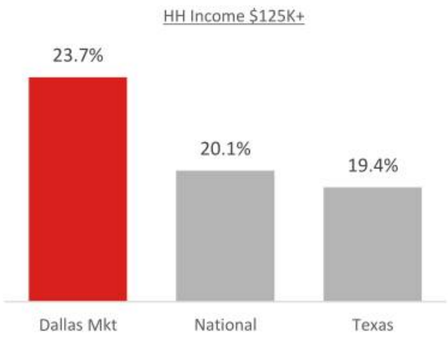
Expect to shift brand mix from 36% to 49% luxury, which is more resilient in downturns, t have higher stable margins, fewer dealers and a higher mix of parts & service

(1) Based on total revenue for twelve months ended Dec. 31, 2019, excludes non-franchised revenue related to stand alone collision centers
(2) Pro forma revenue based on Asbury and Park Place total revenue for LTM ended Dec. 31, 2019.
(3) Same store year over year growth

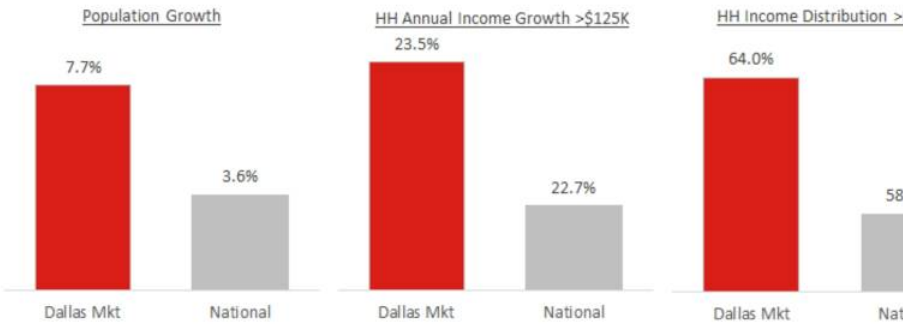
3 Meaningfully Increases Presence to Attractive Dallas Market



Current Demographic[1]



Economic Forecast 2018 – 2023[2]



Dallas, home to 24 Fortune 500 companies, is one of the top luxury car markets in the co

(1) Source: Census Reporter (U.S. Census Bureau)
(2) Source: Urban Science, Fortune

4 Revised Transaction With Favorable Terms That Create Flexibility

	Prior Deal	New Deal
Assets	❑ 19 franchises: 3 Mercedes-Benz, 2 Lexus, 2 Jaguar, 2 Land Rover, 1 Porsche, 1 Volvo, 3 Sprinter, **and 5 ultra luxury (1 Bentley, 1 Rolls Royce, 1 McLaren, 1 Maserati, 1 Karma)** ❑ 1 Jag/Land Rover open point in Austin, Texas ❑ 2 collision, 1 auction business	❑ 12 franchises: 3 Mercedes-Benz, 2 Lexus, Jaguar, 1 Land Rover, 1 Porsche, 1 Volvo, 3 Sprinter. *No ultra luxury premier collectior* ❑ No open point ❑ 2 collision, 1 auction business
Consideration	❑ $1,030b total purchase price, excluding vehicles ❑ $785m of blue sky ❑ $215m of real estate ❑ $190m avg. annualized revenue per dealership	❑ $735m total purchase price, excluding veh ❑ $685m of blue sky ❑ Lease real estate under favorable terms w purchase option(s) ❑ $219m avg. annualized revenue per deale
Economics	❑ $100m of EBITDA including expected run-rate synergies ❑ $20m of expected synergies ❑ Potential further operational improvements of approximately $10m ❑ 10.3x multiple	❑ $95m of EBITDA including expected run-ra synergies ❑ $20m of expected synergies ❑ Potential expected operational improvem of approximately $10m ❑ 7.7x multiple
Financing and Leverage	❑ Financed through existing credit facilities, mortgage financing, senior notes, and cash ❑ Leverage of 4.1x; target 3.0x in 2021	❑ Financed primarily with cash, mortgage financing, and seller financing ❑ Leverage of 3.3x; target ~3.0x by 2022 [1]

(1) Leverage is based on 2019 pro forma numbers for comparison purposes

4 Maintaining Strong Credit Profile and Liquidity Position

AS AUTOM

- Ended June in a strong liquidity position, with approximately $730 million of available liquidit including cash, floor plan offsets, revolver and used vehicle line
- Additional liquidity available through mortgages and debt capital markets
- Disciplined expense management and capital allocation resulting in positive free cash flow generation in every month this year
- De-risked capital structure by pushing out debt maturities to 2028 and 2030 in February 202(
- Modest leverage profile supported by strong credit ratings

June 30, 2020 (Estimates) ($ in mm)	Pre-Transaction	Post-Transaction
Cash and Cash Equivalents	$493	$32
Availability Under Revolving Credit Facility	$237	$162
Total Available Liquidity	$730	$194
Net Leverage Ratio	1.5x	3.3x(1)

Leverage at 3.6x based on June estimated financials

Strong balance sheet and financial discipline allow us to be opportunistic for a highly strategic acquisition like Park Place

(1) Post transaction leverage based on Park Place 9/30/19 LTM and Asbury 12/31/19 LTM
Note: No reconciliation of net leverage is included in this presentation because we are unable to quantify certain amounts that would be required to be included in the most comparable GAAP measure without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision that would be confusing or misleading to investors

5 Emerging Trends Support Asbury/Park Place Combination

Theme	Post-COVID-19 Emerging Trends
Personal Car Ownership	Potential **increase in personal car ownership as consumer pref** may shift away from mass transit / ride sharing / car pooling
Miles Driven	May see greater **increase in miles driven** with less airline travel “staycations” / domestic vacations
Suburbanization	Potential shift out of high density areas / apartments to **more suburban / rural areas positive for car ownership and miles dr**
Omni-Channel	Consumers **increasingly more comfortable transacting online**, favors larger players who have invested in digital experience
Interest Rates	Low rate environment for the near-term creates **attractive fina options for consumers**
Luxury Vehicle Mix	Luxury segment has historically been **more resilient in downtu** has **higher margins;** increased mix of luxury with Park Place
Parts & Service Segment	Parts & service important to **maintaining profitability in downt** and is only enhanced by Park Place
Texas / Dallas Market	Asbury meaningfully increases its presence in a **very attractive automotive retail market**

5 Long Term Value Creation

	Criteria	Contribution
Strategic	Enhances Portfolio	Award-winning stores with margins and loyal follow
	Higher Growth Market	Strong presence in attrac DFW market
	Improved Brand Mix	Higher concentration of pre luxury brands
	Enhanced Business Mix	Increased parts and serv contribution to gross pro
	Best in Class Talent and Processes	Exceptional top talent, cul and service
Financial	Top Line Growth and Scale	Increases total annualiz revenues by approximately
	Accretive to cash flow and earnings	Immediately adds EBITDA accretive to earnings
	Meets Target Return	ROIC in excess of cost of ca
	Synergies and Operating Efficiencies	Annualized run-rate synerg up to $20M

Acquiring Park Place lines up well with our key strategic and financial goals

Note: Financial information based on Park Place results as of 12/31/2019

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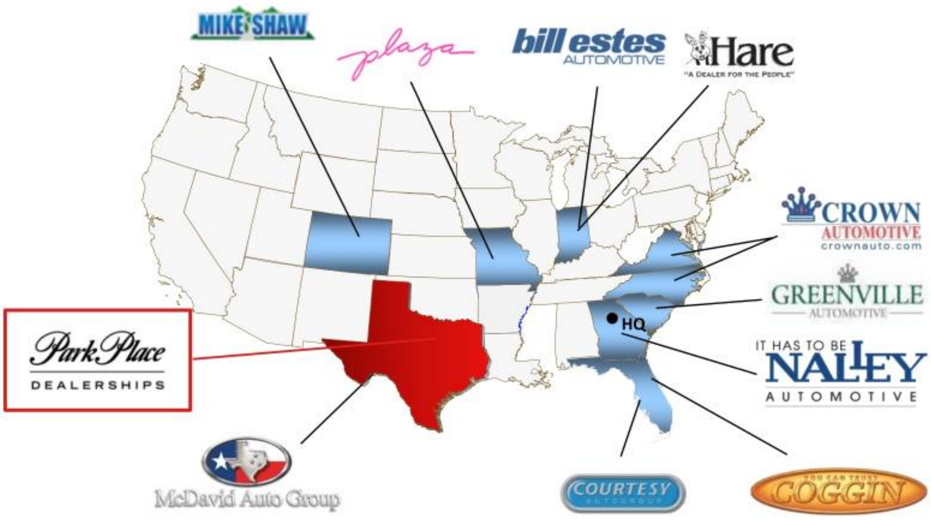
Appendix

Asbury Automotive Group (NYSE:ABG)

- Fortune 500 automotive retailer
- 7th largest U.S. based franchised auto retailer
- $7.2 billion in total revenues(1)
- 83 dealership locations; 102 franchises(2)
- Best-in-class SG&A margins
- 31 vehicle brands(2)
- Sold over 193,000 retail vehicles(1)
- Handled over 2.2 million repair orde
- Operating 24 collision repair center
- Best-in-class operating margins

Pro Forma Geographic Footprint



Fortune 500 automotive dealer group with attractive geographic presence

(1) For the year ended 12/31/2019
(2) As of 3/31/2020

Asbury to Acquire Park Place Dealerships

Park Place
DEALERSHIPS

Ranked in the Largest Dealerships in the Country

- Mercedes-Benz of Dallas
- Mercedes-Benz of Fort Worth
- Mercedes-Benz of Arlington
- Lexus Grapevine
- Lexus of Plano
- Jaguar/Land Rover Dallas/Fort Worth
- Porsche Dallas
- Volvo of Dallas

Asbury announces acquisition of Park Place

- $1.7 billion in annual revenue[1]
- 8 luxury dealerships and 12 franchises
- All located in Dallas, TX market
- Target closing in August 2020

Asbury announces proposed acquisition of one of the top luxury dealer groups in the

(1) Twelve months ended 12/31/19

Large, Well Maintained, Award Winning Dealerships


Mercedes-Benz of Dallas


Mercedes-Benz of Fort Worth


Mercedes-Benz of Arlington


Volvo Dallas


Lexus Grapevine

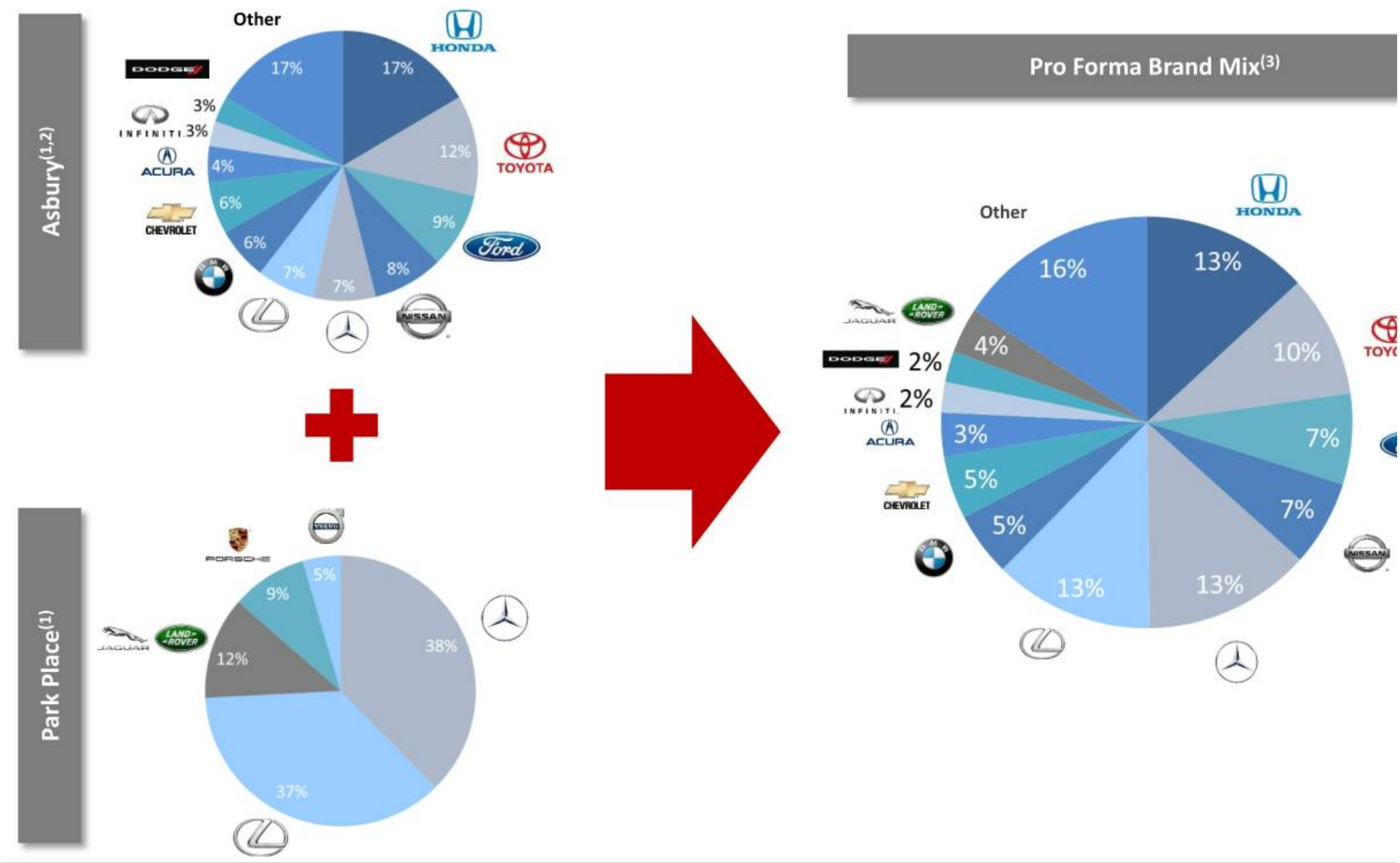

Lexus Plano

Porsche Dallas


Jaguar Land Rover DFW

Leasing premier real estate portfolio with ideal retail locations on favorable terms; includes a right to purchase option

Transformational to Asbury's Brand Portfolio



Further diversifies our brand mix

(1) Based on total revenue for twelve months ended 12/31/2019.
(2) Excludes non-franchised revenue related to stand alone collision centers
(3) Pro forma revenue based on Asbury and Park Place total revenue for LTM ended 12/31/2019.