



**ASBURY**  
AUTOMOTIVE GROUP

**Stephens Inc.**  
Spring Investment Conference



# Forward Looking Statements

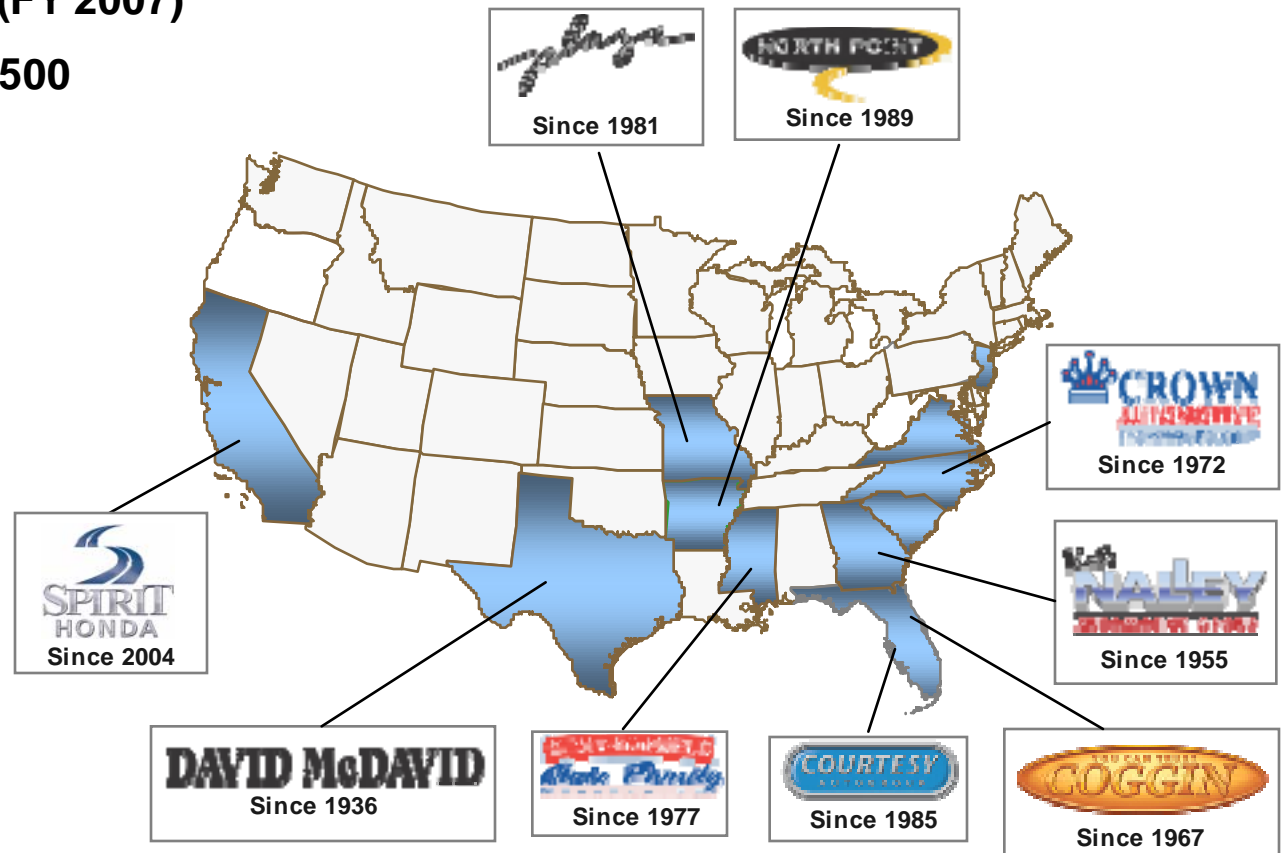
*Certain statements in this presentation constitute "forward-looking statements" as such term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements in this presentation include statements relating to goals, plans and pending acquisitions, projections regarding our financial position, results of operations, market position, business strategy and expectations of our management with respect to, among other things: 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; future return targets; future annual savings; general economic trends, including consumer confidence levels, interest rates, and fuel prices; and automotive retail industry trends.*

*To the extent that statements in this presentation are not recitations of historical fact, such statements constitute forward-looking statements that, by definition, are based on our current expectations and assumptions and involve significant risks and uncertainties. As a result, there can be no guarantees that our plans for future operations will be successfully implemented or that they will prove to be commercially successful. The following are some but not all of the factors that could cause actual results or events to differ materially from those anticipated, including: our ability to generate sufficient cash flows; 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 their ability to design, manufacture, deliver and market their vehicles successfully; the ability of our principal vehicle manufacturers to continue to produce vehicles that are in high demand by our customers; our ability to enter into 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; our relationships with the automotive manufacturers which may affect our ability to complete additional acquisitions; our ability to pay future dividends; changes in, or failure or inability to comply with, laws and regulations governing the operation of automobile franchises, accounting standards, the environment and taxation requirements; high levels of competition in the automotive retailing industry which may create pricing pressures on the products and services we offer; our inability to minimize operating expenses or adjust our cost structure; our failure to achieve estimated future cost savings from implementing consistent tools and processes across the company; the loss of key personnel; and the outcome of any pending or threatened litigation. These risks, uncertainties and other factors are disclosed in Asbury's Annual Report on Form 10-K and periodic and current reports on file with the Securities and Exchange Commission.*

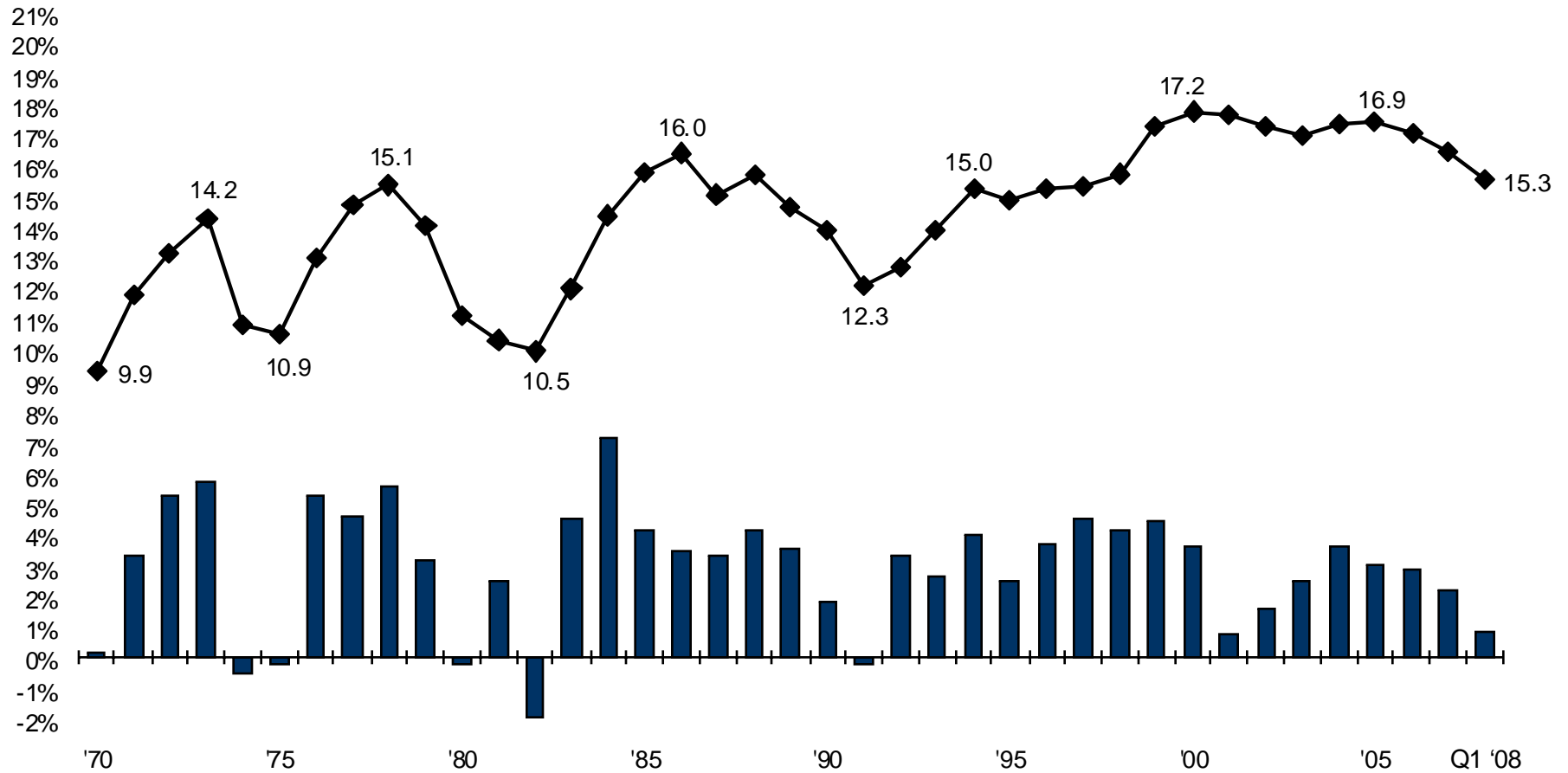
*These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this presentation. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, whether as a result of new information,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

# Overview of Asbury Automotive Group

- **\$5.7 Billion in Revenues (FY 2007)**
- **#391 among the Fortune 500**
- **90 retail locations**
- **Brand Diversity**
  - 30 light vehicle brands
  - 6 heavy truck brands
- **Geographic Diversity**
  - 11 states
  - 22 metro markets

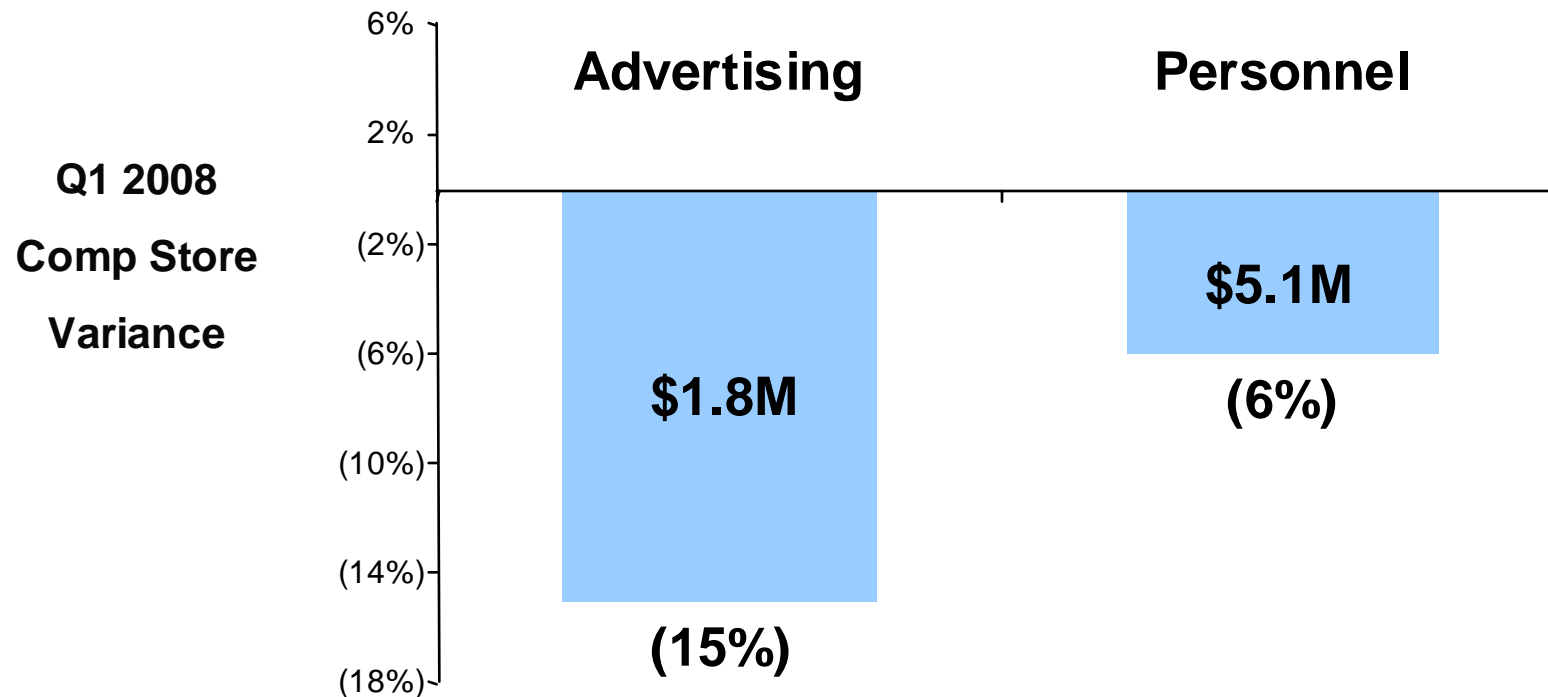


# U.S. new light vehicle sales vs. real GDP growth



**Q1 2008 SAAR of 15.3M was lowest quarterly SAAR level since Q3 1998**

# Response #1: Expense Management

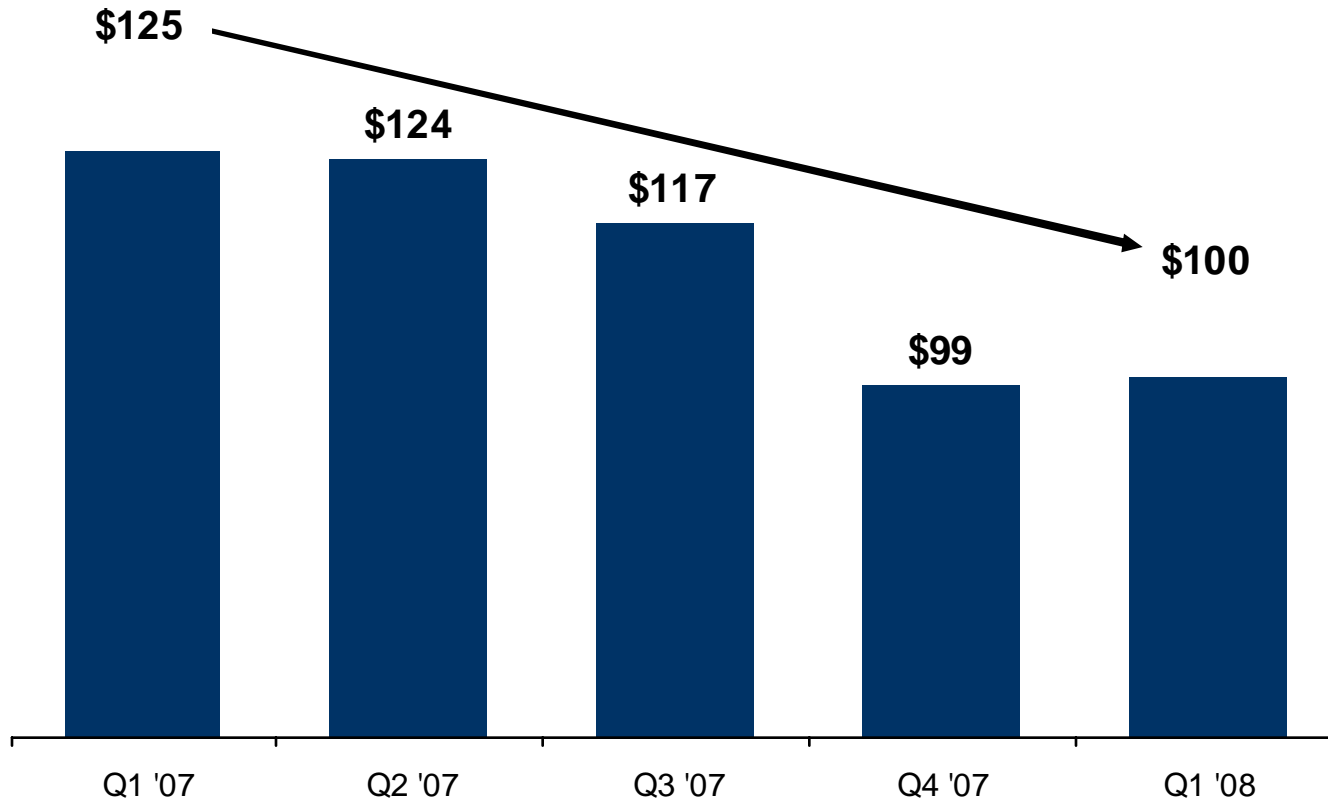


**Total comp store SG&A expenses down \$10.7M, or 6%**

# Response #2: Managing Used Vehicle Inventory

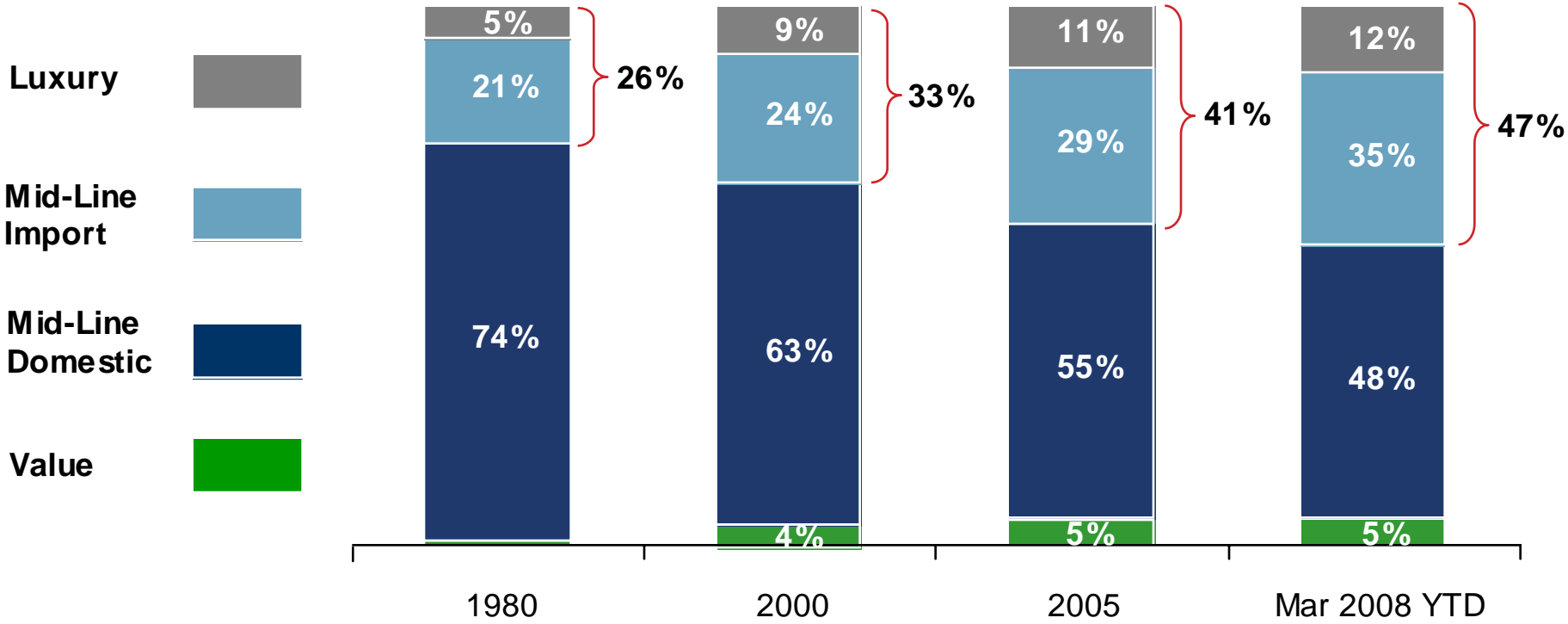
## Used Light Vehicle Inventory

(comp store, \$ millions)



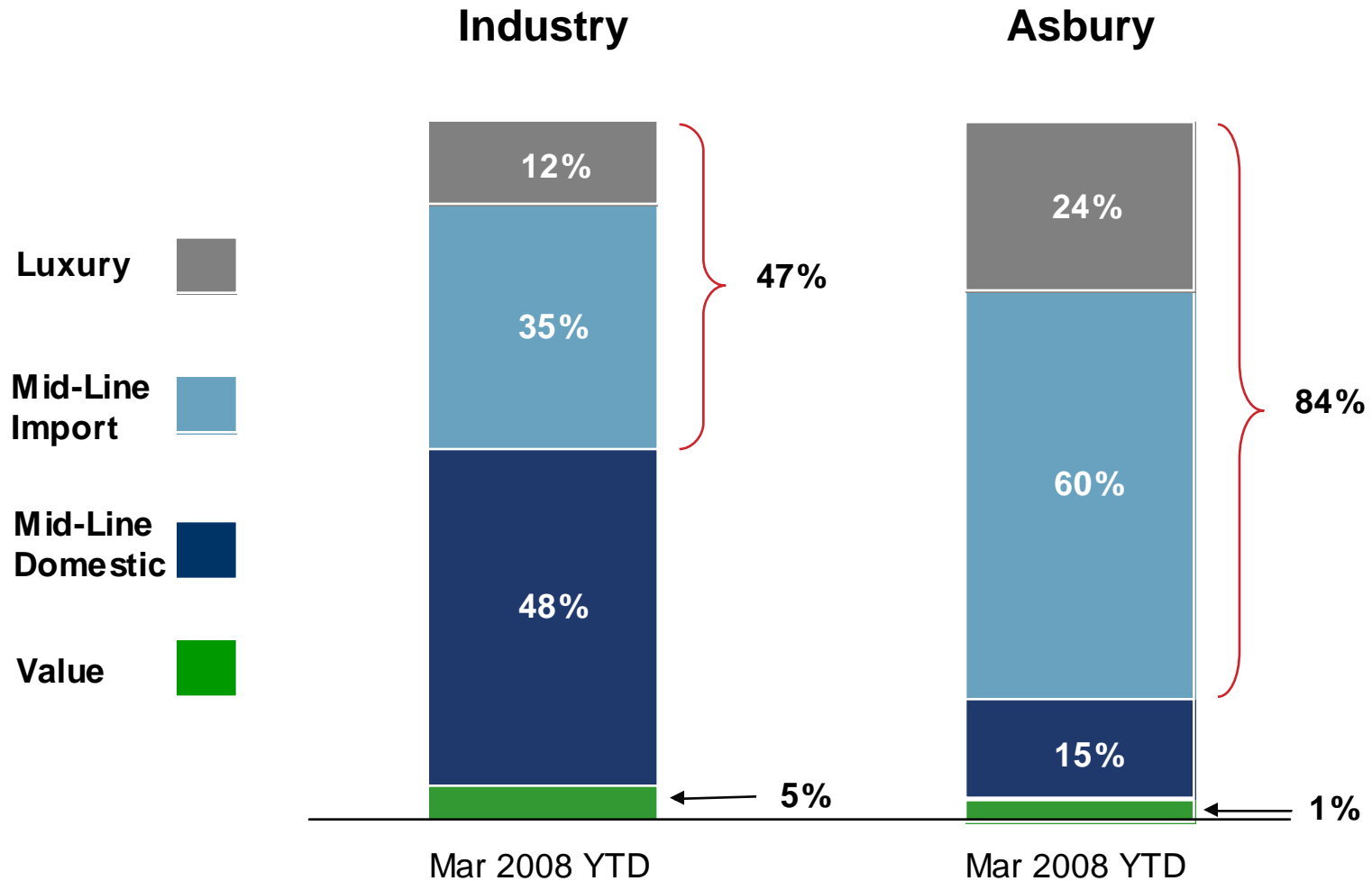
*Used inventory is down \$25M from Q1 2007*

# Industry market share trend by brand segment



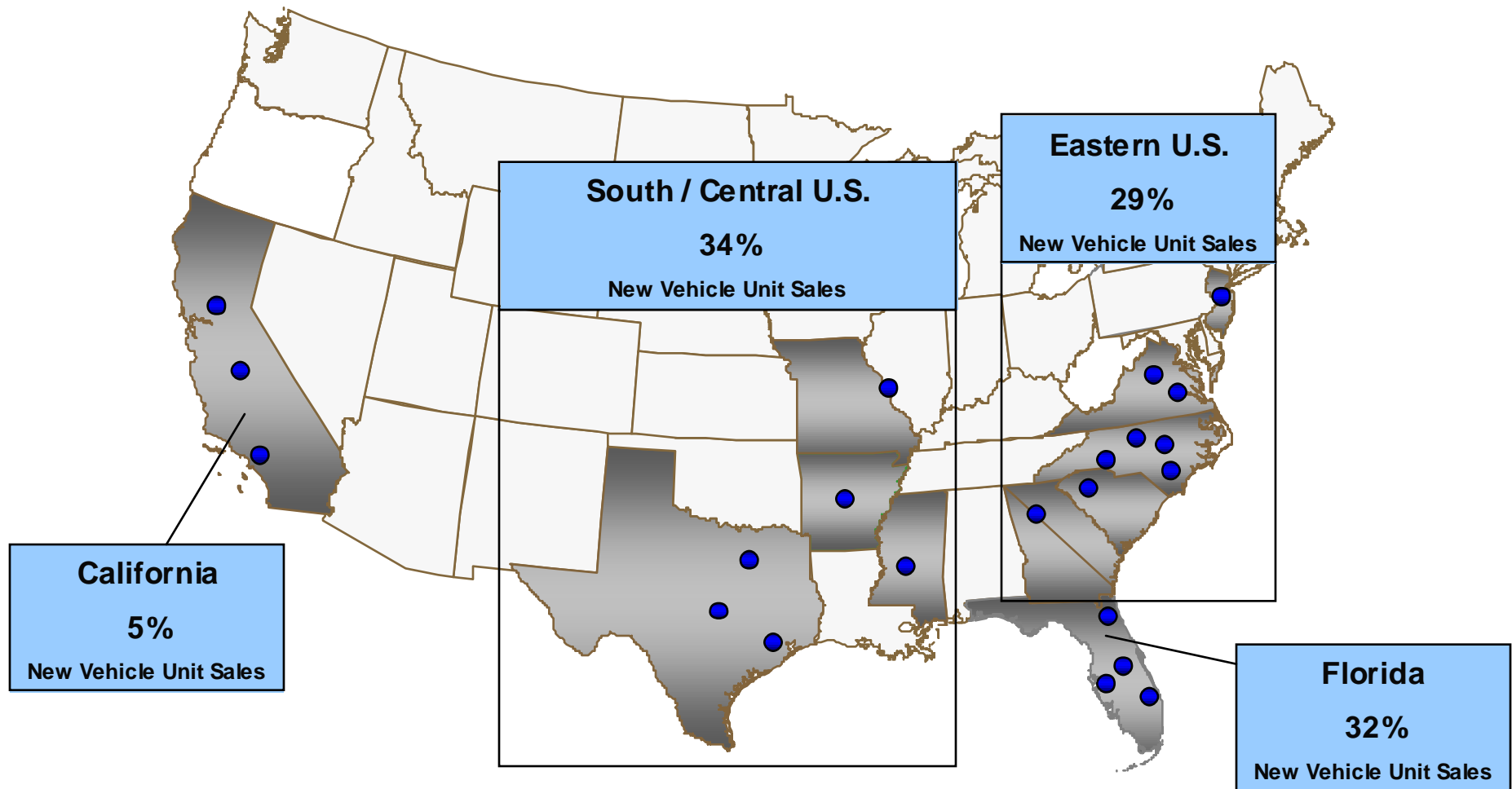
*Luxury and mid-line import brands have gained 21% market share since 1980*

# Asbury's brand mix compared to the industry



**84% percent of Asbury's new unit sales are from luxury and mid-line brands**

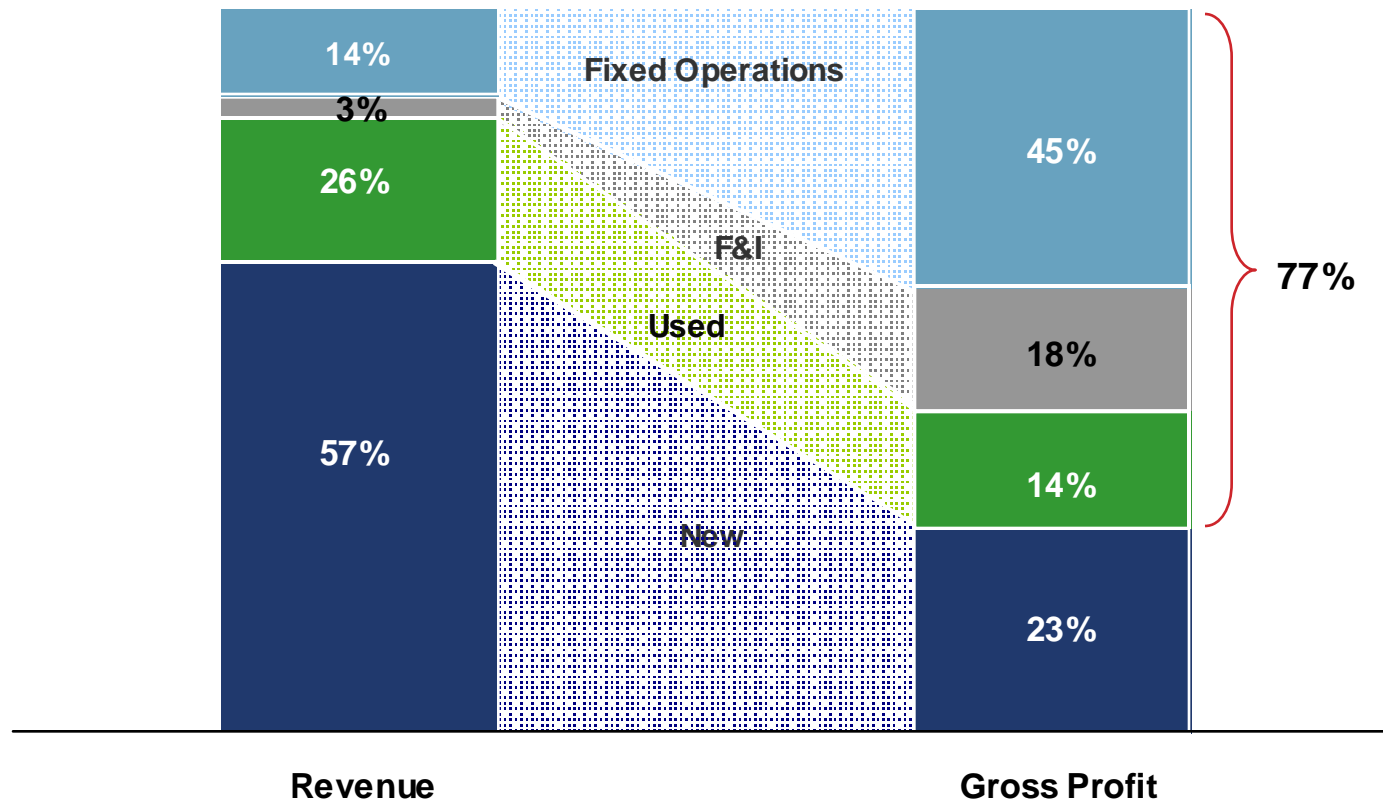
# Asbury's geographic footprint



*Population growth in 17 of Asbury's 22 markets exceeded the national average in 2007*

# Diversified business model

## Revenue and Gross Profit Split – March 2008 QTD



# Real Estate Ownership



## \$200M Real Estate Buy Back

- Closed on June 4, 2008
- 32 properties
- Flexibility in managing assets
- Control of our future
- Long-term value creation

# Economic impact of real estate transaction

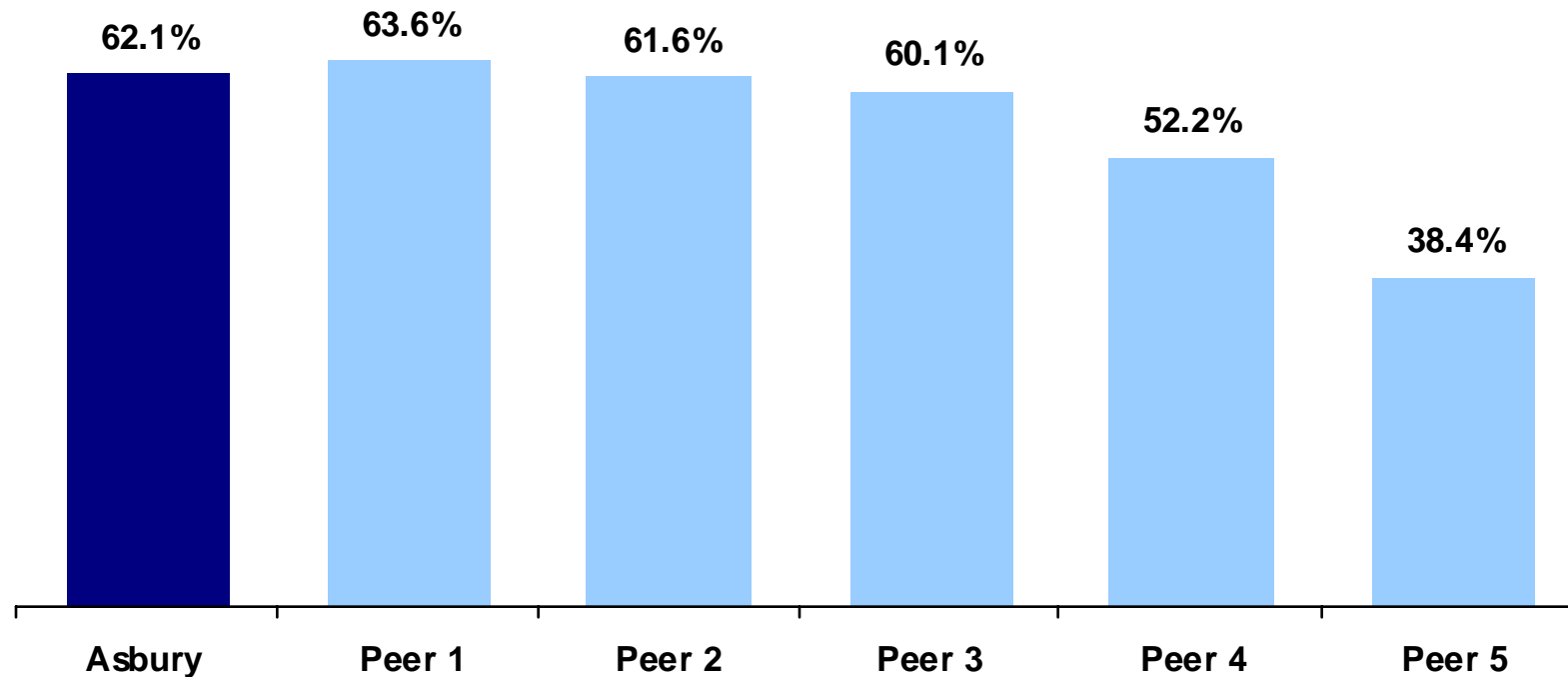
## Shifting to lower cost of financing:

- **Lease cap rates approximately 8.25%**
  - Facing CPI adjustments in 2009 & 2010
- **Replaced with 5 year debt at approximately 7%**
- **Cash savings of \$4 million annually**
- **Annual EPS accretion of 2 cents**

<sup>1</sup>Based on the closing price of ABG stock of \$16.71 on May 5<sup>th</sup>, 2008.

# Asbury capitalization vs. peer group

## Debt-to-total capitalization ratio Pro forma for capitalization of rent commitments



**Asbury is in line with peer group once leases are capitalized**

Note: Debt to total capitalization ratios as of March 31, 2008, including rent commitments for 2008 capitalized assuming 8.5% cap rate on existing lease agreements

# Technology – Arkona DMS project update

## **Current status**

- Transitioned 22 dealerships to date
- Total of 33 dealerships planned by end of 2008
- Remainder scheduled through 2011

## **Arkona benefits**

- Consistency of single DMS provider
- Estimated annual savings of \$3.5M (*pre-tax*)
- Platform for future technology development

# Why Asbury?

- **Attractive brands**
- **Great geographies**
- **Experienced leadership**

<sup>1</sup>Based on the closing price of ABG stock of \$16.52 on May 27<sup>th</sup>, 2008.



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