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# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2025**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from to**
**Commission file number: 001-31262**

# ASBURY AUTOMOTIVE GROUP, INC.
**(Exact name of Registrant as specified in its charter)**

| **Delaware** | **01-0609375** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **6655 Peachtree Dunwoody Road Atlanta, Georgia** | **30328** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**(770) 418-8200**
**(Registrant's telephone number, including area code)**

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: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

| | | | |
|---|---|---|---|
| Large Accelerated Filer | ☒ | Accelerated Filer | |
| Non-Accelerated Filer | ☐ | Smaller Reporting Company | |
| | | 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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: The number of shares of common stock outstanding as of October 28, 2025 was 19,440,558.

**ASBURY AUTOMOTIVE GROUP, INC.**

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## PART I. FINANCIAL INFORMATION

**Item 1. Condensed Consolidated Financial Statements**

**ASBURY AUTOMOTIVE GROUP, INC.**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
**(In millions, except par value and share data)**
**(Unaudited)**

| | September 30, 2025 | December 31, 2024 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 32.2 | $ 69.4 |
| Short-term investments | 0.9 | 14.4 |
| Contracts-in-transit, net | 201.6 | 263.8 |
| Accounts receivable, net | 284.8 | 285.5 |
| Inventories, net | 2,318.9 | 1,978.8 |
| Assets held for sale | 71.2 | 174.4 |
| Other current assets | 426.4 | 351.7 |
| Total current assets | 3,336.0 | 3,137.9 |
| INVESTMENTS | 412.5 | 334.2 |
| PROPERTY AND EQUIPMENT, net | 3,111.7 | 2,550.7 |
| OPERATING LEASE RIGHT-OF-USE ASSETS | 249.6 | 220.1 |
| GOODWILL | 2,264.8 | 2,044.7 |
| INTANGIBLE FRANCHISE RIGHTS | 2,268.4 | 1,911.7 |
| OTHER LONG-TERM ASSETS | 130.5 | 137.8 |
| Total assets | $ 11,773.5 | $ 10,337.0 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES: | | |
| Floor plan notes payable—trade, net | $ 344.7 | $ 349.9 |
| Floor plan notes payable—non-trade, net | 1,777.3 | 1,344.8 |
| Current maturities of long-term debt | 106.7 | 114.7 |
| Current maturities of operating leases | 29.3 | 28.1 |
| Accounts payable and accrued liabilities | 858.7 | 761.4 |
| Deferred revenue—current | 244.3 | 235.5 |
| Liabilities associated with assets held for sale | — | 1.9 |
| Total current liabilities | 3,360.9 | 2,836.3 |
| LONG-TERM DEBT | 3,498.6 | 3,023.9 |
| LONG-TERM LEASE LIABILITY | 228.9 | 200.0 |
| DEFERRED REVENUE | 567.8 | 530.5 |
| DEFERRED INCOME TAXES | 182.7 | 187.7 |
| OTHER LONG-TERM LIABILITIES | 56.6 | 56.4 |
| COMMITMENTS AND CONTINGENCIES (Note 13) | | |
| SHAREHOLDERS' EQUITY: | | |
| Preferred stock, $.01 par value; 10,000,000 shares authorized; none issued or outstanding | — | — |
| Common stock, $.01 par value; 90,000,000 shares authorized; 41,550,096 and 41,649,426 shares issued, including shares held in treasury, respectively | 0.4 | 0.4 |
| Additional paid-in capital | 1,323.7 | 1,305.1 |
| Retained earnings | 3,603.5 | 3,218.9 |
| Treasury stock, at cost; 22,109,547 and 22,065,478 shares, respectively | (1,092.0) | (1,079.2) |
| Accumulated other comprehensive income | 42.3 | 56.8 |
| Total shareholders' equity | 3,878.0 | 3,502.1 |
| Total liabilities and shareholders' equity | $ 11,773.5 | $ 10,337.0 |

See accompanying Notes to Condensed Consolidated Financial Statements

**ASBURY AUTOMOTIVE GROUP, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**
**(In millions, except per share data)**
**(Unaudited)**

| | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| REVENUE: | | | | |
| New vehicle | $ 2,528.9 | $ 2,163.5 | $ 6,970.9 | $ 6,392.6 |
| Used vehicle | 1,412.2 | 1,294.7 | 3,933.8 | 3,959.6 |
| Parts and service | 659.4 | 593.1 | 1,848.5 | 1,764.3 |
| Finance and insurance, net | 200.3 | 185.4 | 569.3 | 567.5 |
| TOTAL REVENUE | 4,800.9 | 4,236.7 | 13,322.5 | 12,684.1 |
| COST OF SALES: | | | | |
| New vehicle | 2,367.9 | 2,013.1 | 6,506.8 | 5,924.4 |
| Used vehicle | 1,347.0 | 1,235.3 | 3,735.0 | 3,767.3 |
| Parts and service | 270.2 | 256.0 | 761.9 | 753.2 |
| Finance and insurance | 13.2 | 14.2 | 40.1 | 40.5 |
| TOTAL COST OF SALES | 3,998.3 | 3,518.6 | 11,043.8 | 10,485.3 |
| GROSS PROFIT | 802.5 | 718.0 | 2,278.6 | 2,198.8 |
| OPERATING EXPENSES: | | | | |
| Selling, general, and administrative | 527.1 | 466.5 | 1,458.9 | 1,411.6 |
| Depreciation and amortization | 21.2 | 18.9 | 59.4 | 55.8 |
| Asset impairments | 11.7 | — | 26.0 | 135.4 |
| INCOME FROM OPERATIONS | 242.6 | 232.7 | 734.3 | 596.0 |
| OTHER EXPENSES (INCOME): | | | | |
| Floor plan interest expense | 26.7 | 22.3 | 65.6 | 66.1 |
| Other interest expense, net | 51.3 | 45.7 | 135.0 | 134.9 |
| Gain on dealership divestitures, net | (35.7) | (5.0) | (45.8) | (8.6) |
| Total other expenses, net | 42.3 | 63.0 | 154.8 | 192.4 |
| INCOME BEFORE INCOME TAXES | 200.2 | 169.7 | 579.5 | 403.6 |
| Income tax expense | 53.1 | 43.4 | 147.5 | 102.1 |
| NET INCOME | $ 147.1 | $ 126.3 | $ 432.0 | $ 301.5 |
| EARNINGS PER SHARE: | | | | |
| Basic— | | | | |
| Net income | $ 7.53 | $ 6.40 | $ 22.04 | $ 15.03 |
| Diluted— | | | | |
| Net income | $ 7.52 | $ 6.37 | $ 21.99 | $ 14.99 |
| WEIGHTED AVERAGE SHARES OUTSTANDING: | | | | |
| Basic | 19.5 | 19.7 | 19.6 | 20.1 |
| Restricted stock | 0.1 | 0.1 | — | — |
| Performance share units | — | — | — | 0.1 |
| Diluted | 19.6 | 19.8 | 19.6 | 20.1 |

See accompanying Notes to Condensed Consolidated Financial Statements

**ASBURY AUTOMOTIVE GROUP, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**(In millions)**
**(Unaudited)**

| | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Net income | $ 147.1 | $ 126.3 | $ 432.0 | $ 301.5 |
| Other comprehensive income: | | | | |
| Change in fair value of cash flow swaps | (5.0) | (29.2) | (27.2) | (19.8) |
| Income tax benefit associated with cash flow swaps | 1.3 | 7.3 | 6.9 | 5.0 |
| Unrealized gains on available-for-sale debt securities | 2.3 | 9.8 | 7.6 | 5.4 |
| Income tax expense associated with available-for-sale debt securities | (0.5) | (2.0) | (1.8) | (1.1) |
| Comprehensive income | $ 145.1 | $ 112.1 | $ 417.4 | $ 290.9 |

See accompanying Notes to Condensed Consolidated Financial Statements

**ASBURY AUTOMOTIVE GROUP, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**
**(Dollars in millions)**
**(Unaudited)**

| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Treasury Stock | | Accumulated Other Comprehensive Income (Loss) | Total |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | Shares | Amount | | |
| **Balances, December 31, 2024** | 41,649,426 | $ 0.4 | $ 1,305.1 | $ 3,218.9 | 22,065,478 | $ (1,079.2) | $ 56.8 | $ 3,502.1 |
| Comprehensive Income: | | | | | | | | |
| Net income | — | — | — | 132.1 | — | — | — | 132.1 |
| Change in fair value of cash flow swaps, net of reclassification adjustment and $3.5 million tax benefit | — | — | — | — | — | — | (10.3) | (10.3) |
| Unrealized gain on changes in fair value of debt securities, net of reclassification adjustment and $0.9 million tax expense | — | — | — | — | — | — | 3.0 | 3.0 |
| Comprehensive income | — | — | — | 132.1 | — | — | (7.2) | 124.9 |
| Share-based compensation | — | — | 9.1 | — | — | — | — | 9.1 |
| Issuance of common stock, net of forfeitures, in connection with share-based payment arrangements | 117,992 | — | — | — | — | — | — | — |
| Repurchase of common stock associated with net share settlement of employee share-based awards | — | — | — | — | 42,780 | (12.5) | — | (12.5) |
| **Balances, March 31, 2025** | 41,767,418 | $ 0.4 | $ 1,314.2 | $ 3,351.0 | 22,108,258 | $ (1,091.7) | $ 49.6 | $ 3,623.5 |
| Comprehensive Income: | | | | | | | | |
| Net income | — | — | — | 152.8 | — | — | — | 152.8 |
| Change in fair value of cash flow swaps, net of reclassification adjustment and $2.1 million tax benefit | — | — | — | — | — | — | (6.3) | (6.3) |
| Unrealized gain on changes in fair value of debt securities, net of reclassification adjustment and $0.3 million tax expense | — | — | — | — | — | — | 1.0 | 1.0 |
| Comprehensive income | — | — | — | 152.8 | — | — | (5.3) | 147.5 |
| Share-based compensation | — | — | 6.2 | — | — | — | — | 6.2 |
| Issuance of common stock, net of forfeitures, in connection with share-based payment arrangements | 1,548 | — | — | — | — | — | — | — |
| Repurchase of common stock associated with net share settlement of employee share-based awards | — | — | — | — | 646 | (0.2) | — | (0.2) |
| **Balances, June 30, 2025** | 41,768,966 | $ 0.4 | $ 1,320.4 | $ 3,503.7 | 22,108,904 | $ (1,091.8) | $ 44.3 | $ 3,777.0 |
| Comprehensive Income: | | | | | | | | |
| Net income | — | — | — | 147.1 | — | — | — | 147.1 |
| Change in fair value of cash flow swaps, net of reclassification adjustment and $1.3 million tax benefit | — | — | — | — | — | — | (3.8) | (3.8) |
| Unrealized gain on changes in fair value of debt securities, net of reclassification adjustment and $0.5 million tax expense | — | — | — | — | — | — | 1.8 | 1.8 |
| Comprehensive income | — | — | — | 147.1 | — | — | (2.0) | 145.1 |
| Share-based compensation | — | — | 6.0 | — | — | — | — | 6.0 |
| Issuance of common stock, net of forfeitures in connection with share-based payment arrangements | 1,717 | — | — | — | — | — | — | — |
| Share repurchases | — | — | — | — | 220,587 | (50.0) | — | (50.0) |
| Repurchase of common stock associated with net share settlement of employee share-based awards | — | — | — | — | 643 | (0.2) | — | (0.2) |
| Retirement of previously repurchased common stock | (220,587) | — | (2.7) | (47.3) | (220,587) | 50.0 | — | — |
| **Balances, September 30, 2025** | 41,550,096 | $ 0.4 | $ 1,323.7 | $ 3,603.5 | 22,109,547 | $ (1,092.0) | $ 42.3 | $ 3,878.0 |

| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Treasury Stock | | Accumulated Other Comprehensive Income (Loss) | Total |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | Shares | Amount | | |
| **Balances, December 31, 2023** | 42,352,001 | $ 0.4 | $ 1,288.4 | $ 2,961.5 | 22,018,537 | $ (1,067.3) | $ 61.1 | $ 3,244.1 |
| Comprehensive Income: | | | | | | | | |
| Net income | — | — | — | 147.1 | — | — | — | 147.1 |
| Change in fair value of cash flow swaps, net of reclassification adjustment and $2.5 million tax expense | — | — | — | — | — | — | 7.5 | 7.5 |
| Unrealized loss on changes in fair value of debt securities, net of reclassification adjustment and $0.6 million tax benefit | — | — | — | — | — | — | (2.2) | (2.2) |
| Comprehensive income | — | — | — | 147.1 | — | — | 5.3 | 152.4 |
| Share-based compensation | — | — | 10.5 | — | — | — | — | 10.5 |
| Issuance of common stock, net of forfeitures, in connection with share-based payment arrangements | 123,845 | — | — | — | — | — | — | — |
| Share repurchases | — | — | — | — | 239,790 | (50.4) | — | (50.4) |
| Repurchase of common stock associated with net share settlement of employee share-based awards | — | — | — | — | 45,399 | (9.8) | — | (9.8) |
| Retirement of common stock | (239,790) | — | (2.9) | (47.1) | (239,790) | 50.0 | — | — |
| **Balances, March 31, 2024** | 42,236,056 | $ 0.4 | $ 1,296.1 | $ 3,061.5 | 22,063,936 | $ (1,077.5) | $ 66.4 | $ 3,346.9 |
| Comprehensive Income: | | | | | | | | |
| Net income | — | — | — | 28.1 | — | — | — | 28.1 |
| Change in fair value of cash flow swaps, net of reclassification adjustment and $0.1 million tax benefit | — | — | — | — | — | — | (0.4) | (0.4) |
| Unrealized loss on changes in fair value of debt securities, net of reclassification adjustment and $0.3 million tax benefit | — | — | — | — | — | — | (1.3) | (1.3) |
| Comprehensive income | — | — | — | 28.1 | — | — | (1.7) | 26.4 |
| Share-based compensation | — | — | 5.7 | — | — | — | — | 5.7 |
| Issuance of common stock, net of forfeitures, in connection with share-based payment arrangements | 841 | — | — | — | — | — | — | — |
| Share repurchases | — | — | — | — | 192,599 | (48.2) | — | (48.2) |
| Repurchase of common stock associated with net share settlement of employee share-based awards | — | — | — | — | 262 | (0.1) | — | (0.1) |
| Retirement of common stock | (192,599) | — | (2.3) | (40.9) | (192,599) | 43.2 | — | — |
| **Balances, June 30, 2024** | 42,044,298 | $ 0.4 | $ 1,299.5 | $ 3,048.7 | 22,064,198 | $ (1,082.5) | $ 64.7 | $ 3,330.7 |
| Comprehensive Income: | | | | | | | | |
| Net income | — | — | — | 126.3 | — | — | — | 126.3 |
| Change in fair value of cash flow swaps, net of reclassification adjustment and $7.3 million tax benefit | — | — | — | — | — | — | (21.9) | (21.9) |
| Unrealized gain on changes in fair value of debt securities, net of reclassification adjustment and $2.0 million tax expense | — | — | — | — | — | — | 7.7 | 7.7 |
| Comprehensive income | — | — | — | 126.3 | — | — | (14.2) | 112.1 |
| Share-based compensation | — | — | 5.0 | — | — | — | — | 5.0 |
| Issuance of common stock, net of forfeitures in connection with share-based payment arrangements | 2,360 | — | — | — | — | — | — | — |
| Share repurchases | — | — | — | — | 393,951 | (85.2) | — | (85.2) |
| Repurchase of common stock associated with net share settlement of employee share-based awards | — | — | — | — | 1,050 | (0.2) | — | (0.2) |
| Retirement of previously repurchased common stock | (393,951) | — | (4.8) | (84.1) | (393,951) | 88.9 | — | — |
| **Balances, September 30, 2024** | 41,652,707 | $ 0.4 | $ 1,299.7 | $ 3,090.9 | 22,065,248 | $ (1,079.1) | $ 50.5 | $ 3,362.4 |

See accompanying Notes to Condensed Consolidated Financial Statements

**ASBURY AUTOMOTIVE GROUP, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(In millions)**
**(Unaudited)**

| | For the Nine Months Ended September 30, | |
|---|---|---|
| | **2025** | **2024** |
| CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net income | $ 432.0 | $ 301.5 |
| Adjustments to reconcile net income to net cash provided by operating activities— | | |
| Depreciation and amortization | 59.4 | 55.8 |
| Share-based compensation | 21.3 | 21.2 |
| Asset impairments | 26.0 | 135.4 |
| Loaner vehicle amortization | 39.5 | 35.8 |
| Gain on divestitures, net | (45.8) | (8.6) |
| Change in right-of-use assets | 22.5 | 21.4 |
| Other adjustments, net | 3.0 | 8.9 |
| Changes in operating assets and liabilities, net of acquisitions and divestitures— | | |
| Contracts-in-transit, net | 62.2 | 75.8 |
| Accounts receivable, net | 0.5 | (31.0) |
| Inventories, net | 1.7 | (272.1) |
| Other current assets | (59.2) | (33.7) |
| Floor plan notes payable—trade, net | (5.2) | 112.1 |
| Deferred revenue | 46.1 | 27.1 |
| Accounts payable and accrued liabilities | 56.8 | 10.0 |
| Operating lease liabilities | (22.1) | (20.1) |
| Other long-term assets and liabilities, net | (15.4) | (12.4) |
| Net cash provided by operating activities | 623.3 | 427.0 |
| CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Capital expenditures—excluding real estate | (104.4) | (104.5) |
| Capital expenditures—real estate | — | (69.6) |
| Purchases of previously leased real estate | — | (11.9) |
| Acquisitions | (1,783.9) | (4.7) |
| Proceeds from dealership divestitures | 452.9 | 196.3 |
| Purchases of debt securities—available-for-sale | (153.8) | (60.0) |
| Proceeds from the sale of debt securities—available-for-sale | 98.0 | 70.0 |
| Proceeds from the disposition of assets | — | 2.2 |
| Net cash (used in) provided by investing activities | (1,491.2) | 17.8 |
| CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Floor plan borrowings—non-trade | 7,946.5 | 6,918.4 |
| Floor plan borrowings—acquisitions | 262.7 | — |
| Floor plan repayments—non-trade | (7,704.7) | (7,296.1) |
| Floor plan repayments—divestitures | (72.0) | (34.1) |
| Proceeds from borrowings | 546.5 | — |
| Repayments of borrowings | (154.8) | (56.9) |
| Proceeds from revolving credit facility | 1,552.7 | 1,013.5 |
| Repayments of revolving credit facility | (1,477.7) | (782.8) |
| Payment of debt issuance costs | (5.7) | — |
| Purchases of treasury stock | (50.0) | (182.1) |
| Repurchases of common stock, associated with net share settlements of employee share-based awards | (12.8) | (10.1) |
| Net cash provided by (used in) financing activities | 830.7 | (430.2) |
| Net (decrease) increase in cash and cash equivalents | (37.2) | 14.6 |
| CASH AND CASH EQUIVALENTS, beginning of period | 69.4 | 45.7 |
| CASH AND CASH EQUIVALENTS, end of period | $ 32.2 | $ 60.3 |

See Note 11 "Supplemental Cash Flow Information" for further details
See accompanying Notes to Condensed Consolidated Financial Statements

**ASBURY AUTOMOTIVE GROUP, INC.**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## 1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Asbury Automotive Group, Inc. ("Asbury" or the "Company"), a Delaware corporation organized in 2002, is one of the largest automotive retailers in the United States. Our store operations are conducted by our subsidiaries.

As of September 30, 2025, we owned and operated 230 new vehicle franchises (175 dealership locations), representing 36 brands of automobiles and 39 collision centers in 15 states. For the nine months ended September 30, 2025, our new vehicle revenue brand mix consisted of 31% luxury, 41% imports and 29% domestic brands. Our stores offer an extensive range of automotive products and services, including new and used vehicles; parts and service, which includes repair and maintenance services, replacement parts and collision repair services (collectively referred to as "parts and services" or "P&S"); and finance and insurance ("F&I") products, including arranging vehicle financing through third parties and aftermarket products, such as extended service contracts, guaranteed asset protection ("GAP") debt cancellation and prepaid maintenance. The F&I products are provided by Total Care Auto, Powered by Landcar ("TCA"), our F&I product provider, and independent third parties. The Company reflects its operations in two reportable segments: Dealerships and TCA.

*Basis of Presentation*

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), and reflect the consolidated accounts of the Company and our wholly owned subsidiaries. All intercompany transactions have been eliminated in consolidation. If necessary, reclassifications of amounts previously reported have been made to the accompanying condensed consolidated financial statements in order to conform to current presentation.

In the opinion of management, all adjustments, consisting only of normal, recurring adjustments, considered necessary for a fair statement of the condensed consolidated financial statements as of September 30, 2025, and for the three and nine months ended September 30, 2025 and 2024, have been included, unless otherwise indicated. Amounts presented in the condensed consolidated financial statements have been calculated using non-rounded amounts for all periods presented and therefore certain amounts may not compute.

The results of operations for the three and nine months ended September 30, 2025 are not necessarily indicative of the results that may be expected for any other interim period, or any full year period. Our condensed consolidated financial statements should be read together with our audited consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2024.

*Use of Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the periods presented. Actual results could differ materially from these estimates. Estimates and assumptions are reviewed quarterly and the effects of any revisions are reflected in the consolidated financial statements in the period they are determined to be necessary. Estimates made in the accompanying condensed consolidated financial statements include, but are not limited to, those relating to inventory valuation reserves, reserves for chargebacks against revenue recognized from the sale of F&I products, reserves for self-insurance programs, and certain assumptions related to goodwill and dealership franchise rights intangible assets.

*Share Repurchases*

Share repurchases may be made from time-to-time in open market transactions or through privately negotiated transactions under the authorization approved by the Board of Directors. Periodically, the Company may retire repurchased shares of common stock previously held by the Company as treasury stock. In accordance with our accounting policy, we allocate any excess share repurchase price over par value between additional paid-in capital, which is limited to amounts initially recorded for the same issue, and retained earnings.

During the three and nine months ended September 30, 2025, the Company repurchased and retired 220,587 shares of our common stock under our share repurchase program. The cash paid for these share repurchases was $50.0 million for the three and nine months ended September 30, 2025.

During the three and nine months ended September 30, 2024, the Company repurchased and retired 393,951 and 826,340 shares of our common stock under our share repurchase program, respectively. The cash paid for these share repurchases was $182.1 million for the nine months ended September 30, 2024.

On May 15, 2024, the Company announced that its Board of Directors approved an increase of $256.2 million in the Company's common share repurchase authorization to $400.0 million (the "New Share Repurchase Authorization"). As of September 30, 2025, the Company had $225.9 million remaining on its share repurchase authorization. The share repurchase authorization does not require the Company to repurchase any specific number of shares, and may be modified, suspended, or terminated at any time without further notice.

*Earnings per Share*

Basic earnings per share is computed by dividing net income by the weighted-average common shares outstanding during the period. Diluted earnings per share is computed by dividing net income by the weighted-average common shares and common share equivalents outstanding during the period. The Company excluded 548 and 201 restricted share units and no performance share units issued under the Asbury Automotive Group, Inc. 2019 Equity and Incentive Compensation Plan from its computation of diluted earnings per share for the three months ended September 30, 2025 and 2024, respectively, because they were anti-dilutive. During the nine months ended September 30, 2025 and 2024, the Company excluded 6,323 and 1,784 restricted share units and 25 and 1,177 performance share units issued under the Asbury Automotive Group, Inc. 2019 Equity and Incentive Compensation Plan from its computation of diluted earnings per share, respectively, because they were anti-dilutive. For all periods presented, there were no adjustments to the numerator necessary to compute diluted earnings per share.

*Recent Accounting Pronouncements*

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-06, *Intangibles – Goodwill and Other – Internal-Use Software*, in September 2025, which is intended to modernize the internal-use software guidance to adapt to the agile (i.e. iterative and flexible) basis predominantly employed to develop software today. The new standard amends the recognition threshold for capitalizing internal-use software costs and clarifies the presentation and disclosure requirements associated with internal-use software. The guidance is effective for interim and annual periods beginning after December 15, 2027 and may be applied prospectively, retrospectively or on a modified prospective basis. We are evaluating the impact of this new guidance on our consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *Measurement of Credit Losses for Accounts Receivable and Contract Assets.* The standard provides a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets. The practical expedient assumes that conditions as of the balance sheet date do not change for the remaining life of the accounts receivable and contract assets when forecasting estimated credit losses. An entity is required to disclose whether it has applied the practical expedient. The guidance is effective for interim and annual periods beginning after December 15, 2025 and should be applied prospectively. Early adoption is permitted. We are evaluating the impact of this new guidance on our consolidated financial statements.

The FASB issued ASU 2024-03, *Disaggregation – Income Statement Expenses*, in November 2024, which requires additional disclosure of the nature of expenses included in the income statement. The new standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. The guidance is effective for annual periods beginning after December 15, 2026 and should be applied prospectively with the option of retrospective application. We are evaluating the impact of this new guidance on our consolidated financial statements.

In December 2023, the FASB issued final guidance in ASU 2023-09, *Improvements to Income Tax Disclosures*, which primarily expands the disclosures related to the effective tax rate reconciliation and income taxes paid. The guidance is effective for annual periods beginning after December 15, 2024 and should be applied prospectively with the option of retrospective application. We do not expect the adoption of this accounting standard to have a significant impact on our consolidated financial statements, but it will require certain additional disclosures.

**2. REVENUE RECOGNITION**

*Disaggregation of Revenue*

Revenue from contracts with customers consists of the following:

| | For the Three Months Ended September 30, | |
|---|---|---|
| | 2025 | 2024 |
| | (In millions) | |
| Revenue: | | |
| New vehicle | $ 2,528.9 | $ 2,163.5 |
| Used vehicle retail | 1,226.8 | 1,148.5 |
| Used vehicle wholesale | 185.5 | 146.2 |
| New and used vehicle | 3,941.1 | 3,458.2 |
| Sale of vehicle parts and accessories | 132.0 | 129.2 |
| Vehicle repair and maintenance services | 527.4 | 463.9 |
| Parts and services | 659.4 | 593.1 |
| Finance and insurance, net | 200.3 | 185.4 |
| Total revenue | $ 4,800.9 | $ 4,236.7 |

| | For the Nine Months Ended September 30, | |
|---|---|---|
| | 2025 | 2024 |
| | (In millions) | |
| Revenue: | | |
| New vehicle | $ 6,970.9 | $ 6,392.6 |
| Used vehicle retail | 3,435.1 | 3,507.0 |
| Used vehicle wholesale | 498.7 | 452.6 |
| New and used vehicle | 10,904.7 | 10,352.3 |
| Sale of vehicle parts and accessories | 382.0 | 388.2 |
| Vehicle repair and maintenance services | 1,466.5 | 1,376.1 |
| Parts and service | 1,848.5 | 1,764.3 |
| Finance and insurance, net | 569.3 | 567.5 |
| Total revenue | $ 13,322.5 | $ 12,684.1 |

*Contract Assets*

Changes in contract assets during the period are reflected in the table below. Contract assets related to vehicle repair and maintenance services are transferred to receivables when a repair order is completed and invoiced to the customer. Certain incremental sales commissions payable to obtain an F&I revenue contract with a customer have been capitalized and are amortized using the same pattern of recognition applicable to the associated F&I revenue contract.

| | Vehicle Repair and Maintenance Services | Finance and Insurance, net | Deferred Sales Commissions | Total |
|---|---|---|---|---|
| | | (In millions) | | |
| Contract Assets, January 1, 2025 | $ 17.8 | $ 12.8 | $ 90.1 | $ 120.7 |
| Transferred to receivables from contract assets recognized at the beginning of the period | (17.8) | (1.9) | — | (19.7) |
| Amortization of costs incurred to obtain a contract with a customer | — | — | (7.2) | (7.2) |
| Costs incurred to obtain a contract with a customer | — | — | 11.0 | 11.0 |
| Increases related to revenue recognized, inclusive of adjustments to constraint, during the period | 17.5 | 1.6 | — | 19.1 |
| Contract Assets, March 31, 2025 | $ 17.5 | $ 12.5 | $ 93.9 | $ 123.9 |
| | | | | |
| Contract Assets (current), March 31, 2025 | $ 17.5 | $ 12.5 | $ 25.3 | $ 55.3 |
| Contract Assets (long-term), March 31, 2025 | $ — | $ — | $ 68.6 | $ 68.6 |
| | | | | |
| Transferred to receivables from contract assets recognized at the beginning of the period | (17.5) | (1.8) | — | (19.2) |
| Amortization of costs to obtain a contract with a customer | — | — | (6.8) | (6.8) |
| Costs incurred to obtain a contract with a customer | — | — | 14.3 | 14.3 |
| Increases related to revenue recognized, inclusive of adjustments to constraint, during the period | 18.3 | 1.5 | — | 19.8 |
| Contract Assets, June 30, 2025 | $ 18.3 | $ 12.3 | $ 101.5 | $ 132.1 |
| | | | | |
| Contract Assets (current), June 30, 2025 | $ 18.3 | $ 12.3 | $ 27.4 | $ 58.0 |
| Contract Assets (long-term), June 30, 2025 | $ — | $ — | $ 74.0 | $ 74.0 |
| | | | | |
| Transferred to receivables from contract assets recognized at the beginning of the period | (18.3) | (1.5) | — | (19.9) |
| Amortization of costs to obtain a contract with a customer | — | — | (7.4) | (7.4) |
| Costs incurred to obtain a contract with a customer | — | — | 12.8 | 12.8 |
| Increases related to revenue recognized, inclusive of adjustments to constraint, during the period | 22.8 | 1.3 | — | 24.1 |
| Contract Assets, September 30, 2025 | $ 22.8 | $ 12.0 | $ 106.9 | $ 141.7 |
| | | | | |
| Contract Assets (current), September 30, 2025 | $ 22.8 | $ 12.0 | $ 29.0 | $ 63.8 |
| Contract Assets (long-term), September 30, 2025 | $ — | $ — | $ 77.9 | $ 77.9 |

*Deferred Revenue*

The condensed consolidated balance sheet reflects $812.1 million and $766.0 million of deferred revenue as of September 30, 2025 and December 31, 2024, respectively. Approximately $200.0 million of deferred revenue at December 31, 2024 was recorded in finance and insurance, net revenue in the condensed consolidated statements of income during the nine months ended September 30, 2025.

## 3. ACQUISITIONS AND DIVESTITURES

**Herb Chambers Acquisition**

On July 21, 2025, we completed the acquisition of The Herb Chambers Companies (collectively, the "Businesses"). The Herb Chambers acquisition continues Asbury's geographic expansion into the northeast region of the United States.

As a result of the Herb Chambers acquisition, we acquired substantially all of the assets including the real property related thereto, for a total preliminary purchase price of approximately $1.78 billion paid in cash. The acquisition was financed by borrowings under our new vehicle floor plan and used vehicle floor plan facilities, revolving credit facility and borrowings under a real estate facility. The Businesses comprise 33 dealerships, 52 franchises and three collision centers. The Businesses will form part of our Dealerships segment.

The sources of the preliminary purchase consideration are as follows:

| | | (In millions) |
|---|---|---|
| New vehicle floor plan facility | $ | 292.0 |
| Used vehicle floor plan facility | | 300.0 |
| Revolving credit facility | | 645.4 |
| Real estate facility | | 546.5 |
| Preliminary purchase price | $ | 1,783.9 |

Under the acquisition method of accounting, the tangible and intangible assets acquired and liabilities assumed are recorded at their estimated fair value based on information currently available. The following table summarizes the amounts recorded based on preliminary estimates of fair value:

**Summary of Assets Acquired and Liabilities Assumed**

| | | (In millions) |
|---|---|---|
| **Assets** | | |
| Inventories, net | $ | 388.5 |
| Other current assets | | 60.3 |
| Total current assets | | 448.8 |
| Property and equipment, net | | 614.8 |
| Goodwill | | 290.1 |
| Intangible franchise rights | | 463.2 |
| Operating lease right-of-use assets | | 39.8 |
| Total assets acquired | $ | 1,856.7 |
| **Liabilities** | | |
| Operating lease liabilities | | (39.8) |
| Other liabilities | | (33.0) |
| Total liabilities assumed | | (72.8) |
| **Net assets acquired** | $ | 1,783.9 |

The estimated fair values of the assets acquired and liabilities assumed and the related preliminary acquisition accounting are based on management's estimates and assumptions, as well as other information compiled by management, including the books and records of the Businesses. Our estimates and assumptions are subject to change during the measurement period, not to exceed one year from the acquisition date. The areas of acquisition accounting that are not yet finalized primarily relate to the following significant items: (i) finalizing the valuation of inventory, land, land improvements, buildings and non-real property and equipment (including the models, key assumptions, estimates and inputs used) and assignment of remaining useful lives associated with the depreciable assets, and (ii) finalizing the valuation of manufacturer franchise rights (including key assumptions, inputs and estimates). As the initial acquisition accounting is based on our preliminary assessments, actual values may differ (possibly materially) when final information becomes available that differs from our current estimates. We believe that the information gathered to date provides a reasonable basis for estimating the preliminary fair values of assets acquired and liabilities assumed. We will continue to evaluate these items until they are satisfactorily resolved and adjust our acquisition accounting accordingly, within the allowable measurement period.

Approximately $463.2 million of the purchase price was assigned to the indefinite lived franchise rights intangible assets related to the dealer agreements applicable to each new vehicle dealership. In addition, goodwill of $290.1 million was recognized and is primarily attributable to the anticipated synergies that Asbury expects to derive from the Herb Chambers acquisition as well as the acquired assembled workforce of the Businesses.

The Company recorded $14.7 million of acquisition related costs during the nine months ended September 30, 2025. These costs are included in selling, general, and administrative expenses in the condensed consolidated statements of income.

Goodwill and manufacturer franchise rights associated with our Dealerships segment acquisitions are deductible for federal and state income tax purposes ratably over a 15-year period.

The Company's consolidated statements of income included revenue and net income attributable to the Businesses from July 21, 2025 through September 30, 2025 of $523.4 million and $17.9 million, respectively.

The following represents the unaudited pro forma information as if the Herb Chambers acquisition had been included in the consolidated results of the Company since January 1, 2024:

| | For the Three Months Ended September 30, | |
|---|---|---|
| | 2025 | 2024 |
| | (In millions) (Unaudited) | |
| Pro forma revenue | $ 5,441.6 | $ 4,924.1 |
| Pro forma net income | $ 146.1 | $ 128.5 |

| | For the Nine Months Ended September 30, | |
|---|---|---|
| | 2025 | 2024 |
| | (In millions) (Unaudited) | |
| Pro forma revenue | $ 15,248.2 | $ 14,758.7 |
| Pro forma net income | $ 439.3 | $ 297.3 |

The above pro forma financial information adjusts the revenue and net income related to the Herb Chambers acquisition primarily for depreciation, rent and interest expense, assuming that the fair value adjustments and indebtedness incurred in connection with the Herb Chambers acquisition had occurred on January 1, 2024. They have also been adjusted to reflect the $14.7 million of acquisition related costs incurred during the nine months ended September 30, 2025, as having occurred on January 1, 2024. The pro forma information also assumes that the July 2025 divestiture of two Lexus and two General Motors dealerships occurred on January 1, 2024. The pro forma net income for the nine months ended September 30, 2025 and 2024 includes $26.0 million and $135.4 million, respectively, of asset impairments recorded by the Company.

There were no acquisitions during the three and nine months ended September 30, 2024.

**Divestitures**

During the nine months ended September 30, 2025, we sold two Toyota franchises (two dealership locations) in San Diego, California, and Los Angeles, California, one Nissan franchise (one dealership location) and one Chrysler Jeep Dodge Ram franchise (one dealership location) in Denver, Colorado, one Volvo franchise (one dealership location) in Greenville, South Carolina, and six franchises in Salt Lake City, Utah, comprising two Lexus franchises (two dealership locations), one Chevrolet franchise (one dealership location), two Chrysler Jeep Dodge Ram franchises (two dealership locations) and one Ford franchise (one dealership location). The Company recorded a pre-tax gain totaling $45.8 million, which is presented in our accompanying condensed consolidated statements of income as a gain on dealership divestitures, net.

During the nine months ended September 30, 2024, we sold one Lexus franchise (one dealership location) in Wilmington, Delaware due to OEM requirements in connection with the Koons acquisition, one Nissan franchise (one dealership location) in Denver, Colorado, and one Nissan franchise (one dealership location) in Atlanta, Georgia. The Company recorded a pre-tax gain totaling $8.6 million, which is presented in our accompanying condensed consolidated statement of income as a gain on dealership divestitures, net.

**4. ACCOUNTS RECEIVABLE**

Accounts receivable consisted of the following:

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| Vehicle receivables | $ 79.0 | $ 85.0 |
| Manufacturer receivables | 113.1 | 101.4 |
| Other receivables | 96.0 | 102.3 |
| Total accounts receivable | 288.1 | 288.6 |
| Less—Allowance for credit losses | (3.4) | (3.2) |
| Accounts receivable, net | $ 284.8 | $ 285.5 |

**5. INVENTORIES**

Inventories consisted of the following:

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| New vehicles | $ 1,688.5 | $ 1,450.6 |
| Used vehicles | 469.6 | 382.1 |
| Parts and accessories | 160.8 | 146.0 |
| Total inventories, net (a) | $ 2,318.9 | $ 1,978.8 |

(a) Inventories, net as of September 30, 2025 and December 31, 2024, excluded $20.0 million and $58.7 million classified as assets held for sale, respectively.

The lower of cost and net realizable value reserves reduced total inventory cost by $9.8 million and $9.7 million, respectively, as of September 30, 2025 and December 31, 2024. As of September 30, 2025 and December 31, 2024, certain automobile manufacturer incentives reduced new vehicle inventory cost by $16.3 million and $13.8 million, respectively, and reduced new vehicle cost of sales for the three months ended September 30, 2025 and 2024 by $32.4 million and $27.5 million, respectively. For the nine months ended September 30, 2025 and 2024, new vehicle cost of sales was reduced by $93.9 million and $80.7 million, respectively.

**6. ASSETS AND LIABILITIES HELD FOR SALE**

Assets and liabilities classified as held for sale include (i) assets and liabilities associated with pending dealership disposals and (ii) real estate that we are actively marketing to sell.

A summary of assets held for sale and liabilities associated with assets held for sale is as follows:

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| Assets: | | |
| Inventory | $ 20.0 | $ 58.7 |
| Loaners, net | 0.9 | 1.5 |
| Property and equipment, net | 50.3 | 89.1 |
| Operating lease right-of-use assets | — | 1.9 |
| Franchise rights | — | 23.1 |
| Total assets held for sale | 71.2 | 174.4 |
| Liabilities: | | |
| Current maturities of operating leases | — | 0.2 |
| Operating lease liabilities | — | 1.7 |
| Total liabilities associated with assets held for sale | — | 1.9 |
| Net assets held for sale | $ 71.2 | $ 172.4 |

As of September 30, 2025, assets held for sale consisted of three franchises (three dealership locations) in addition to two real estate properties. In October 2025, 13 franchises (nine dealership locations) met the assets held for sale criteria.

In March 2025, the Company recognized a $14.3 million pre-tax non-cash franchise rights impairment charge in connection with five dealerships that were classified as assets held for sale in March 2025. In September 2025, the Company recognized an $11.7 million pre-tax non-cash franchise rights impairment charge in connection with a dealership that met the assets held for sale criteria in October 2025. The quantitative assessment for each disposal group included a comparison of the estimated fair value to the carrying value of the disposal group less costs to sell. The Company determined the estimated fair value of each disposal group based on estimated sales proceeds less costs to sell. These franchise rights impairment charges are reflected in asset impairments in our condensed consolidated statements of income for the nine months ended September 30, 2025.

As of December 31, 2024, assets held for sale consisted of seven franchises (six dealership locations) in addition to one real estate property not currently used in our operations.

**7. INVESTMENTS**

Our investment portfolio is primarily funded by product premiums from the sale of our TCA F&I products. The amortized cost, gross unrealized gains and losses and estimated fair values of debt securities available-for-sale are as follows:

| | As of September 30, 2025 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| | (In millions) | | | |
| Short-term investments | $ 0.9 | $ — | $ — | $ 0.9 |
| U.S. Treasury | 2.6 | — | — | 2.6 |
| Municipal | 4.9 | 0.2 | — | 5.0 |
| Corporate | 169.9 | 3.8 | — | 173.6 |
| Mortgage and other asset-backed securities | 228.8 | 3.0 | (0.5) | 231.3 |
| Total investments | $ 407.0 | $ 6.9 | $ (0.5) | $ 413.4 |

| | As of December 31, 2024 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| | (In millions) | | | |
| Short-term investments | $ 14.4 | $ — | $ — | $ 14.4 |
| U.S. Treasury | 2.6 | — | — | 2.6 |
| Municipal | 10.6 | 0.1 | (0.1) | 10.6 |
| Corporate | 152.0 | 0.8 | (0.9) | 151.9 |
| Mortgage and other asset-backed securities | 170.1 | 0.6 | (1.7) | 169.1 |
| Total investments | $ 349.8 | $ 1.6 | $ (2.7) | $ 348.6 |

As of September 30, 2025 and December 31, 2024, the Company had $2.9 million and $2.8 million of accrued interest receivable, respectively, which is included in other current assets on the condensed consolidated balance sheets. The Company does not consider accrued interest receivable in the carrying amount of financial assets held at amortized cost basis or in the allowance for credit losses.

A summary of amortized costs and fair value of investments by time to maturity, is as follows:

| | As of September 30, 2025 | |
|---|---|---|
| | Amortized Cost | Fair Value |
| | (In millions) | |
| Due in 1 year or less | $ 0.9 | $ 0.9 |
| Due in 1-5 years | 122.0 | 124.3 |
| Due in 6-10 years | 53.3 | 54.8 |
| Due after 10 years | 2.1 | 2.1 |
| Total by maturity | 178.3 | 182.1 |
| Mortgage and other asset-backed securities | 228.8 | 231.3 |
| Total investment securities | $ 407.0 | $ 413.4 |

There were no gross losses and $0.3 million gross gains realized related to the sale of available-for-sale debt securities carried at fair value for the three months ended September 30, 2025. There were $0.2 million gross losses and $0.7 million gross gains realized related to the sale of available-for-sale debt securities carried at fair value for the nine months ended September 30, 2025.

There were $0.3 million gross losses and $0.5 million gross gains realized related to the sale of available-for-sale debt securities carried at fair value for the three months ended September 30, 2024. There were $0.3 million gross losses and $0.9 million gross gains realized related to the sale of available-for-sale debt securities carried at fair value for the nine months ended September 30, 2024.

The following tables summarize the amount of unrealized losses, defined as the amount by which the amortized cost exceeds fair value, and the related fair value of investments with unrealized losses. The investments were segregated into two categories: those that have been in a continuous unrealized loss position for less than 12 months and those that have been in a continuous unrealized loss position for 12 or more months. The reference point for determining how long an investment was in an unrealized loss position was September 30, 2025.

| | As of September 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 12 Months | | Greater than 12 Months | | Total | |
| | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses |
| | (In millions) | | | | | |
| Short-term investments | $ — | $ — | $ 0.8 | $ — | $ 0.8 | $ — |
| U.S. Treasury | 0.8 | — | 0.8 | — | 1.7 | — |
| Municipal | — | — | — | — | — | — |
| Corporate | 4.9 | — | — | — | 4.9 | — |
| Mortgage and other asset-backed securities | 39.7 | (0.3) | 11.5 | (0.2) | 51.2 | (0.5) |
| Total debt securities | $ 45.4 | $ (0.3) | $ 13.1 | $ (0.2) | $ 58.6 | $ (0.5) |

| | As of December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 12 Months | | Greater than 12 Months | | Total | |
| | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses |
| | (In millions) | | | | | |
| Short-term investments | $ 0.3 | $ — | $ 3.9 | $ — | $ 4.1 | $ — |
| U.S. Treasury | 1.1 | — | 1.4 | — | 2.5 | — |
| Municipal | 3.4 | (0.1) | 1.6 | — | 4.9 | (0.1) |
| Corporate | 64.3 | (0.5) | 26.6 | (0.4) | 90.9 | (0.9) |
| Mortgage and other asset-backed securities | 78.5 | (1.0) | 26.4 | (0.7) | 104.9 | (1.7) |
| Total debt securities | $ 147.5 | $ (1.6) | $ 59.8 | $ (1.2) | $ 207.3 | $ (2.7) |

The Company reviews the investment securities portfolio at the security level on a quarterly basis for potential credit losses, which takes into consideration numerous factors including changes in credit ratings. The decline in fair value identified in the tables above are a result of widening market spreads and not a result of credit quality. Additionally, the Company has determined it has both the intent and ability to hold these investments until the market price recovers or until maturity and does not believe it will be required to sell the securities before maturity. Accordingly, no credit losses were recognized on these securities during the three and nine months ended September 30, 2025.

**8. FLOOR PLAN NOTES PAYABLE**

Floor plan notes payable consisted of the following:

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| Floor plan notes payable—trade | $ 345.7 | $ 350.9 |
| Floor plan notes payable offset account | (1.0) | (1.0) |
| Floor plan notes payable—trade, net | $ 344.7 | $ 349.9 |
| | | |
| Floor plan notes payable—new non-trade | $ 1,534.9 | $ 1,359.8 |
| Floor plan notes payable—used non-trade | 350.0 | 100.7 |
| Floor plan notes payable offset account | (107.7) | (115.7) |
| Floor plan notes payable—non-trade, net | $ 1,777.3 | $ 1,344.8 |

We have floor plan offset accounts that allow us to offset our floor plan notes payable balances outstanding with transfers of cash to reduce the amount of outstanding floor plan notes payable that would otherwise accrue interest, while retaining the ability to transfer amounts from the offset account into our operating cash accounts within the same day.

We have the ability to convert a portion of our availability under the revolving credit facility to the new vehicle floor plan facility or the used vehicle floor plan facility. The maximum amount we are allowed to convert is determined based on our

aggregate revolving commitment under the revolving credit facility, less $50.0 million. In addition, we are able to convert any amounts moved to the new vehicle floor plan facility or used vehicle floor plan facility back to the revolving credit facility.

In addition to our new and used vehicle floor plan facilities, we have loaner vehicle floor plan facilities with Bank of America and certain original equipment manufacturers (“OEMs”). Loaner vehicles notes payable related to Bank of America as of September 30, 2025 and December 31, 2024 were $69.6 million and $56.7 million, respectively. Loaner vehicles notes payable related to OEMs as of September 30, 2025 and December 31, 2024 were $202.9 million and $161.5 million, respectively.

*Increases to 2023 Senior Credit Facility*

On April 9, 2025, the Company obtained an amendment (the “Amendment”) to the Fourth Amended and Restated Credit Agreement (the "2023 Senior Credit Facility"), dated as of October 20, 2023, by and among the Company, as a borrower, certain of its subsidiaries, as vehicle borrowers, Bank of America, N.A., ("Bank of America") as administrative agent, and the other lenders party thereto.

The Amendment, among other things, provides for the following, subject to satisfaction of certain other customary conditions in each case:

- an increase of the aggregate commitments under the revolving credit facility, from $500.0 million to $925.0 million; and
- an increase of the aggregate commitments under the new vehicle floor plan facility, from $1.93 billion to $2.25 billion.

The increases under the Amendment were effective concurrently with the consummation of the Herb Chambers acquisition, which occurred on July 21, 2025.

**9. DEBT**

Long-term debt consisted of the following:

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| 4.50% Senior Notes due 2028 | $ 405.0 | $ 405.0 |
| 4.625% Senior Notes due 2029 | 800.0 | 800.0 |
| 4.75% Senior Notes due 2030 | 445.0 | 445.0 |
| 5.00% Senior Notes due 2032 | 600.0 | 600.0 |
| Mortgage notes payable bearing interest at fixed rates | 27.8 | 29.6 |
| 2025 Real Estate Facility | 544.3 | — |
| 2021 Real Estate Facility | 475.9 | 579.9 |
| 2021 BofA Real Estate Facility | 153.0 | 158.6 |
| 2018 Bank of America Facility | 35.2 | 37.9 |
| 2018 Wells Fargo Master Loan Facility | 58.4 | 62.2 |
| 2015 Wells Fargo Master Loan Facility | — | 32.0 |
| 2023 Syndicated Revolving Credit Facility | 75.0 | — |
| Finance lease liability | 8.3 | 8.4 |
| Total debt outstanding | 3,627.9 | 3,158.5 |
| Add—unamortized premium on 4.50% Senior Notes due 2028 | 0.4 | 0.5 |
| Add—unamortized premium on 4.75% Senior Notes due 2030 | 0.9 | 1.1 |
| Less—debt issuance costs | (23.8) | (21.5) |
| Long-term debt, including current portion | 3,605.3 | 3,138.6 |
| Less—current portion, net of debt issuance costs | (106.7) | (114.7) |
| Long-term debt | $ 3,498.6 | $ 3,023.9 |

*Wells Fargo Real Estate Facility*

On July 21, 2025, certain subsidiaries of the Company borrowed $546.5 million (the "2025 Real Estate Facility") under a real estate term loan credit agreement, dated as of July 21, 2025 (the "Real Estate Credit Agreement") by and among the Company, certain of the Company's subsidiaries that own or lease the real estate financed thereunder, as borrowers, Wells Fargo Bank, National Association, as administrative agent, and the various financial institutions parties thereto, as lenders. The Real Estate Facility matures ten years from the initial funding date (the "Maturity Date"). The Company used the proceeds from these borrowings, together with other available funds, to finance the Herb Chambers acquisition.

Term loans under the 2025 Real Estate Facility bear interest, at our option, based on (1) SOFR plus 2% per annum or (2) the Base Rate (as described below) plus 1% per annum. The Base Rate is the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus .50% and (c) Term SOFR for a one month tenor in effect on such date plus 1%. We will be required to make 118 consecutive monthly principal payments, commencing September 1, 2025, with a balloon repayment of the outstanding principal amount of loans due on the Maturity Date. Borrowings under the 2025 Real Estate Facility are guaranteed by the Company and certain of the Company's subsidiaries, and are collateralized by first priority liens, subject to certain permitted exceptions, on all of the real property financed thereunder.

The representations, warranties and covenants in the Real Estate Credit Agreement are customary for financing transactions of this nature, including, among others, a requirement to comply with a minimum consolidated fixed charge coverage ratio and maximum consolidated total lease adjusted leverage ratio, in each case as set out in the Real Estate Credit Agreement. In addition, certain other covenants could restrict our ability to incur additional debt, pay dividends or acquire or dispose of assets. The Real Estate Credit Agreement also provides for events of default that are customary for financing transactions of this nature, including cross-defaults to other material indebtedness. Upon the occurrence of an event of default, we could be required by the Real Estate Credit Agreement to immediately repay all amounts outstanding thereunder.

**10. FINANCIAL INSTRUMENTS AND FAIR VALUE**

In determining fair value, we use various valuation approaches, including market and income approaches. Accounting standards establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and

minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs are inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Level 1-Valuations based on quoted prices in active markets for identical assets or liabilities that we have the ability to access.

Level 2-Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Assets and liabilities utilizing Level 2 inputs include interest rate swap instruments, exchange-traded debt securities that are not actively traded or do not have a high trading volume, mortgage notes payable and certain real estate properties on a non-recurring basis.

Level 3-Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Asset and liability measurements utilizing Level 3 inputs include those used in estimating the fair value of certain non-financial assets and non-financial liabilities in purchase acquisitions and those used in the assessment of impairment for goodwill and intangible franchise rights.

The availability of observable inputs can vary and is affected by a wide variety of factors. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment required to determine fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is disclosed is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based exit price measure considered from the perspective of a market participant who holds the asset or owes the liability rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, our assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. We use inputs that are current as of the measurement date, including during periods of significant market fluctuations.

Financial instruments consist primarily of cash and cash equivalents, investments, contracts-in-transit, accounts receivable, cash surrender value of corporate-owned life insurance policies, accounts payable, floor plan notes payable, subordinated long-term debt, mortgage notes payable and interest rate swap instruments. The carrying values of our financial instruments, with the exception of subordinated long-term debt and mortgage notes payable bearing interest at fixed rates, approximate fair value primarily due to (i) their short-term nature, (ii) recently completed market transactions, or (iii) existence of variable interest rates, which approximate market rates. The fair value of our subordinated long-term debt is based on reported market prices in an inactive market that reflect Level 2 inputs. We estimate the fair value of our mortgage notes payable using a present value technique based on current market interest rates for similar types of financial instruments that reflect Level 2 inputs.

A summary of the carrying values and fair values of our subordinated long-term debt notes and our mortgage notes payable bearing interest at fixed rates is as follows:

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| **Carrying Value:** | | |
| 4.50% Senior Notes due 2028 | $ 403.8 | $ 403.4 |
| 4.625% Senior Notes due 2029 | 793.0 | 791.9 |
| 4.75% Senior Notes due 2030 | 443.1 | 442.8 |
| 5.00% Senior Notes due 2032 | 593.7 | 593.0 |
| Mortgage notes payable bearing interest at fixed rates | 27.8 | 29.6 |
| Total carrying value | $ 2,261.4 | $ 2,260.6 |
| | | |
| **Fair Value:** | | |
| 4.50% Senior Notes due 2028 | $ 398.4 | $ 385.8 |
| 4.625% Senior Notes due 2029 | 774.0 | 742.0 |
| 4.75% Senior Notes due 2030 | 430.5 | 412.7 |
| 5.00% Senior Notes due 2032 | 574.5 | 546.0 |
| Mortgage notes payable bearing interest at fixed rates | 27.9 | 29.3 |
| Total fair value | $ 2,205.3 | $ 2,115.8 |

*Interest Rate Swap Agreements*

We currently have five interest rate swap agreements. These swaps are designed to provide a hedge against changes in variable rate cash flows regarding fluctuations in the SOFR rate.

The following table provides information on the attributes of each swap as of September 30, 2025:

| Inception Date | Notional Principal at Inception | Notional Value as of September 30, 2025 | Notional Principal at Maturity | Maturity Date |
|---|---|---|---|---|
| | | (In millions) | | |
| January 2022 | $ 300.0 | $ 247.5 | $ 228.8 | December 2026 |
| January 2022 | $ 250.0 | $ 250.0 | $ 250.0 | December 2031 |
| May 2021 | $ 184.4 | $ 153.0 | $ 110.6 | May 2031 |
| July 2020 | $ 93.5 | $ 67.1 | $ 50.6 | December 2028 |
| July 2020 | $ 85.5 | $ 58.6 | $ 57.3 | November 2025 |

The fair value of cash flow swaps is calculated as the present value of expected future cash flows, determined on the basis of forward interest rates and present value factors. Fair value estimates reflect a credit adjustment to the discount rate applied to all expected cash flows under the swaps. Other than this input, all other inputs used in the valuation for these swaps are designated to be Level 2 inputs. The fair value of our swaps as of September 30, 2025 and December 31, 2024 reflect a net asset of $49.4 million and $76.6 million, respectively.

The following table provides information regarding the fair value of our interest rate swap agreements and the impact on the condensed consolidated balance sheets:

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| Other current assets | $ 14.9 | $ 20.3 |
| Other long-term assets | 34.5 | 56.3 |
| Total fair value | $ 49.4 | $ 76.6 |

Our interest rate swaps qualify for cash flow hedge accounting treatment. These interest rate swaps are marked to market at each reporting date and any unrealized gains or losses are included in accumulated other comprehensive income and reclassified to interest expense in the same period or periods during which the hedged transactions affect earnings. Information about the effects of our interest rate swap agreements in the accompanying condensed consolidated statements of income and condensed consolidated statements of comprehensive income, is as follows (in millions):

| For the Three Months Ended September 30, | Results Recognized in Accumulated Other Comprehensive Income/(Loss) (Effective Portion) | Location of Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings | Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings |
|---|---|---|---|
| 2025 | $ 1.1 | Other interest expense, net | $ (6.1) |
| 2024 | $ (20.3) | Other interest expense, net | $ (8.9) |

| For the Nine Months Ended September 30, | Results Recognized in Accumulated Other Comprehensive Income/(Loss) (Effective Portion) | Location of Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings | Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings |
|---|---|---|---|
| 2025 | $ (8.8) | Other interest expense, net | $ (18.4) |
| 2024 | $ 6.9 | Other interest expense, net | $ (26.8) |

On the basis of yield curve conditions as of September 30, 2025 and including assumptions about future changes in fair value, we expect the amount to be reclassified out of accumulated other comprehensive income into earnings within the next 12 months will be gains of $14.9 million.

*Investments*

The table below presents the Company's investment securities that are measured at fair value on a recurring basis aggregated by the level in the fair value hierarchy within which those measurements fall:

| | As of September 30, 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| | (In millions) | | | |
| Cash equivalents | $ 2.5 | $ — | $ — | $ 2.5 |
| Short-term investments | 0.5 | 0.4 | — | 0.9 |
| U.S. Treasury | 2.6 | — | — | 2.6 |
| Municipal | — | 5.0 | — | 5.0 |
| Corporate | 0.3 | 173.3 | — | 173.6 |
| Mortgage and other asset-backed securities | — | 231.3 | — | 231.3 |
| Total | $ 3.4 | $ 410.0 | $ — | $ 413.4 |

| | As of December 31, 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| | (In millions) | | | |
| Cash equivalents | $ 12.7 | $ — | $ — | $ 12.7 |
| Short-term investments | 3.5 | 10.9 | — | 14.4 |
| U.S. Treasury | 2.6 | — | — | 2.6 |
| Municipal | — | 10.6 | — | 10.6 |
| Corporate | — | 151.9 | — | 151.9 |
| Mortgage and other asset-backed securities | — | 169.1 | — | 169.1 |
| Total | $ 6.1 | $ 342.5 | $ — | $ 348.6 |

We review the fair value hierarchy classifications each reporting period. Changes in the observability of the valuation attributes may result in a reclassification of certain investments. Such reclassifications are reported as transfers in and out of Level 3, or between other levels, at the beginning fair value for the reporting period in which the changes occur.

Available-for-sale debt securities are recorded at fair value and any unrealized gains or losses are included in accumulated other comprehensive income and reclassified to finance and insurance, net revenue in the period or periods during which the debt securities are sold and the gains or losses are realized.

Information about the effects of our available-for-sale debt securities in the accompanying condensed consolidated statements of income and condensed consolidated statements of comprehensive income, is as follows (in millions):

| For the Three Months Ended September 30, | Results Recognized in Accumulated Other Comprehensive Income/(Loss) (Effective Portion) | Location of Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings | Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings |
|---|---|---|---|
| 2025 | $ 2.0 | Revenue-Finance and insurance, net | $ 0.3 |
| 2024 | $ 10.0 | Revenue-Finance and insurance, net | $ 0.3 |

| For the Nine Months Ended September 30, | Results Recognized in Accumulated Other Comprehensive Income/(Loss) (Effective Portion) | Location of Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings | Results Reclassified from Accumulated Other Comprehensive Income/(Loss) to Earnings |
|---|---|---|---|
| 2025 | $ 7.2 | Revenue-Finance and insurance, net | $ 0.4 |
| 2024 | $ 6.0 | Revenue-Finance and insurance, net | $ 0.6 |

**11. SUPPLEMENTAL CASH FLOW INFORMATION**

During the nine months ended September 30, 2025 and 2024, we made interest payments, including amounts capitalized, totaling $196.3 million and $195.3 million, respectively.

During the nine months ended September 30, 2025 and 2024, we made income tax payments, net of refunds received, totaling $89.9 million and $64.5 million, respectively.

During the nine months ended September 30, 2025 and 2024, we transferred $379.7 million and $369.9 million, respectively, of loaner vehicles from other current assets to inventory in our condensed consolidated balance sheets. The aforementioned amounts are included in changes in inventories in the operating activities section of the accompanying condensed consolidated statements of cash flows.

**12. SEGMENT INFORMATION**

As of September 30, 2025, the Company had two reportable segments: (1) Dealerships and (2) TCA. Our dealership operations are organized by management into geographic region-based groups within the Dealerships segment. The operations of our F&I product provider are reflected within our TCA segment.

TCA's vehicle protection products are sold through affiliated dealerships and the revenue from the related commissions is included in finance and insurance, net revenue in the Dealerships segment before consolidation. The corresponding claims expense incurred and the amortization of deferred acquisition costs is recorded as a cost of sales in the TCA segment. The Dealerships segment also provides vehicle repair and maintenance services to TCA customers in connection with claims related to TCA's vehicle protection products. The gross profit earned by our parts and service departments for work performed for TCA customers is reflected as a reduction of parts and service cost of sales in the accompanying condensed consolidated statements

of income. The costs incurred by TCA for work performed by our parts and service departments are included in finance and insurance cost of sales in the accompanying condensed consolidated statements of income.

The significant expense categories and amounts are consistent with the segment-level information that is regularly provided to the chief operating decision maker. Certain intersegment expenses are included within the amounts shown. Rent and related expenses include rent expense, utilities, property and casualty insurance, real estate tax and personal property tax. Other segment items for the TCA segment relate to selling, general and administrative expenses.

Reportable segment financial information for the three and nine months ended September 30, 2025 and 2024, are as follows:

| | Three Months Ended September 30, 2025 | | | Three Months Ended September 30, 2024 | | |
|---|---|---|---|---|---|---|
| | Dealerships | TCA | Total | Dealerships | TCA | Total |
| | (In millions) | | | | | |
| Revenue from external customers | $ 4,719.8 | $ 81.1 | $ 4,800.9 | $ 4,159.7 | $ 77.0 | $ 4,236.7 |
| Intersegment revenue | 66.4 | — | 66.4 | 57.6 | — | 57.6 |
| | $ 4,786.2 | $ 81.1 | $ 4,867.2 | $ 4,217.3 | $ 77.0 | $ 4,294.3 |
| *Reconciliation of revenue* | | | | | | |
| Elimination of inter-segment revenue | | | (66.4) | | | (57.6) |
| Total consolidated revenue | | | $ 4,800.9 | | | $ 4,236.7 |
| | | | | | | |
| Less: | | | | | | |
| Cost of sales | | | | | | |
| New vehicle | 2,367.9 | — | | 2,013.1 | — | |
| Used vehicle | 1,347.0 | — | | 1,235.3 | — | |
| Parts and service | 279.2 | — | | 266.2 | — | |
| Finance and insurance | — | 59.6 | | — | 57.5 | |
| Selling, general and administrative expenses | | | | | | |
| Personnel costs | 339.0 | — | | 307.7 | — | |
| Rent and related expenses | 39.5 | — | | 37.2 | — | |
| Advertising | 18.7 | — | | 16.0 | — | |
| Other selling, general and administrative expense | 133.1 | — | | 108.4 | — | |
| Other segment items | — | 1.9 | | — | 1.6 | |
| Depreciation and amortization | 21.2 | — | | 18.8 | 0.1 | |
| Floor plan interest expense | 26.7 | — | | 22.3 | — | |
| Segment operating income | $ 213.9 | $ 19.6 | $ 233.5 | $ 192.4 | $ 17.8 | $ 210.1 |
| | | | | | | |
| *Reconciliation of segment operating income* | | | | | | |
| Intersegment eliminations | | | | | | |
| Total intersegment revenue eliminations | | | (66.4) | | | (57.6) |
| Total intersegment cost of sales eliminations | | | 55.3 | | | 53.4 |
| Deferral of SG&A expense (related to capitalized contract costs offset by amortization) | | | 5.1 | | | 4.3 |
| Total intersegment eliminations | | | (5.9) | | | 0.2 |
| Asset impairments | | | (11.7) | | | — |
| Other interest expense, net | | | (51.3) | | | (45.7) |
| Gain on dealership divestitures, net | | | 35.7 | | | 5.0 |
| Income before income taxes | | | $ 200.2 | | | $ 169.7 |

| | Nine Months Ended September 30, 2025 | | | Nine Months Ended September 30, 2024 | | |
|---|---|---|---|---|---|---|
| | Dealerships | TCA | Total | Dealerships | TCA | Total |
| | (In millions) | | | | | |
| Revenue from external customers | $ 13,077.8 | $ 244.7 | $ 13,322.5 | $ 12,457.6 | $ 226.5 | $ 12,684. |
| Intersegment revenue | 202.9 | — | 202.9 | 167.0 | — | 167. |
| | $ 13,280.7 | $ 244.7 | $ 13,525.4 | $ 12,624.6 | $ 226.5 | $ 12,851. |
| *Reconciliation of revenue* | | | | | | |
| Elimination of inter-segment revenue | | | (202.9) | | | (167. |
| Total consolidated revenue | | | $ 13,322.5 | | | $ 12,684. |
| | | | | | | |
| Less: | | | | | | |
| Cost of sales | | | | | | |
| New vehicle | 6,506.8 | — | | 5,924.4 | — | |
| Used vehicle | 3,735.0 | — | | 3,767.3 | — | |
| Parts and service | 790.4 | — | | 782.9 | — | |
| Finance and insurance | — | 179.8 | | — | 165.8 | |
| Selling, general and administrative expenses | | | | | | |
| Personnel costs | 966.8 | — | | 939.2 | — | |
| Rent and related expenses | 89.3 | — | | 103.1 | — | |
| Advertising | 51.0 | — | | 47.8 | — | |
| Other selling, general and administrative expense | 362.1 | — | | 332.1 | — | |
| Other segment items | — | 5.5 | | — | 5.1 | |
| Depreciation and amortization | 59.3 | 0.2 | | 55.5 | 0.3 | |
| Floor plan interest expense | 65.6 | — | | 66.1 | — | |
| Segment operating income | $ 654.4 | $ 59.2 | $ 713.6 | $ 606.2 | $ 55.3 | $ 661. |
| | | | | | | |
| *Reconciliation of segment operating income* | | | | | | |
| Intersegment eliminations | | | | | | |
| Total intersegment revenue eliminations | | | (202.9) | | | (167. |
| Total intersegment cost of sales eliminations | | | 168.2 | | | 154. |
| Deferral of SG&A expense (related to capitalized contract costs offset by amortization) | | | 15.9 | | | 15. |
| Total intersegment eliminations | | | (18.9) | | | 3. |
| Asset impairments | | | (26.0) | | | (135. |
| Other interest expense, net | | | (135.0) | | | (134. |
| Gain on dealership divestitures, net | | | 45.8 | | | 8. |
| Income before income taxes | | | $ 579.5 | | | $ 403. |

Total assets by segment as of September 30, 2025 and December 31, 2024 are as follows:

| | As of September 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Dealerships | TCA | Total Reportable Segments | Eliminations | Total Company |
| | (In millions) | | | | |
| Total assets | $ 10,575.0 | $ 1,020.2 | $ 11,595.2 | $ 178.3 | $ 11,773.5 |

| | As of December 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Dealerships | TCA | Total Reportable Segments | Eliminations | Total Company |
| | (In millions) | | | | |
| Total assets | $ 9,227.6 | $ 1,049.4 | $ 10,277.0 | $ 60.1 | $ 10,337.0 |

**13. COMMITMENTS AND CONTINGENCIES**

On August 3, 2022, we received a Civil Investigative Demand (“CID”) from the Federal Trade Commission (the "FTC") requesting information and documents concerning the Company’s corporate structure and operation of six of its dealerships. We responded to the CID by producing information and documents for the period August 1, 2019 to April 24, 2023. On February 8, 2024, the FTC staff counsel sent to us a proposed consent order and draft complaint, alleging that the Company and three of our dealerships had violated Section 5 of the Federal Trade Commission Act (“FTC Act”) and certain provisions of the Equal Credit Opportunity Act (“ECOA”) in connection with the sale of add-on products (e.g., vehicle service contracts, maintenance plans, etc.), and advising that it would recommend the filing of an enforcement action if the Company did not settle the FTC’s claims. On August 16, 2024, after discussions with the FTC stalled, the FTC initiated an administrative proceeding by filing an enforcement action against the Company. On October 4, 2024, the Company filed suit against the FTC in the United States District Court for the Northern District of Texas, seeking to enjoin the FTC’s administrative proceeding on the ground that the administrative proceeding was unconstitutional. Both the administrative proceeding and the Company’s lawsuit remain pending. While the Company disputes the FTC’s allegations, we are unable to reasonably predict the possible outcome of this matter at this time, or provide a reasonably possible range of loss, if any. There can be no assurance that the Company will succeed in either the FTC’s administrative proceeding against the Company or in the Company’s lawsuit against the FTC, and the FTC’s allegations, whether meritorious or not, may adversely affect our ability to attract customers, result in the loss of existing customers, harm our reputation and cause us to incur defense costs and other expenses.

Our dealerships are party to dealer and framework agreements with applicable vehicle manufacturers. In accordance with these agreements, each dealership has certain rights and is subject to restrictions typical in the industry. The ability of these manufacturers to influence the operations of the dealerships or the loss of any of these agreements could have a materially negative impact on our operating results.

In some instances, manufacturers may have the right, and may direct us, to implement costly capital improvements to dealerships as a condition to entering into, renewing, or extending franchise agreements with them. Manufacturers also typically require that their franchises meet specific standards of appearance. These factors, either alone or in combination, could cause us to use our financial resources on capital projects that we might not have planned for or otherwise determined to undertake.

From time to time, we and our dealerships are or may become involved in various claims relating to, and arising out of, our business and our operations. These claims may involve, but not be limited to, financial and other audits by vehicle manufacturers or lenders and certain federal, state, and local government authorities, which have historically related primarily to (i) incentive and warranty payments received from vehicle manufacturers, or allegations of violations of manufacturer agreements or policies, (ii) compliance with lender rules and covenants, and (iii) payments made to government authorities relating to federal, state, and local taxes, as well as compliance with other government regulations. Claims may also arise through litigation, government proceedings, and other dispute resolution processes. Such claims, including class actions, could relate to, but may not be limited to, the practice of charging administrative fees and other fees and commissions, employment-related matters, truth-in-lending and other dealer assisted financing obligations, contractual disputes, regulatory and compliance issues, disputes arising out of cyber incidents or the disclosure of Personally Identifiable Information (“PII”), actions brought by governmental authorities, and other matters.

We evaluate pending and threatened claims and establish loss contingency reserves based upon outcomes we currently believe to be probable and reasonably estimable. We believe we have adequately accrued reserves for the potential impact of loss contingencies that are probable and reasonably estimable. Based on our review of the various types of claims currently known to us, there is no indication of material reasonably possible losses in excess of amounts accrued in the aggregate. We

currently do not anticipate that any known claim will materially adversely affect our financial condition, liquidity, or results of operations. However, the outcome of any matter cannot be predicted with certainty, and an unfavorable resolution of one or more matters presently known or arising in the future could have a material adverse effect on our financial condition, liquidity, or results of operations.

A significant portion of our business involves the sale of vehicles, parts, or vehicles composed of parts that are manufactured outside the United States. As a result, our operations are subject to customary risks of importing merchandise, including fluctuations in the relative values of currencies, import duties, exchange controls, trade restrictions, work stoppages and general political and socio-economic conditions in foreign countries. The United States or the countries from which our products are imported may, from time to time, impose new quotas, duties, tariffs, or other restrictions, or may adjust presently prevailing quotas, duties, or tariffs, which may affect our operations, the pricing of our products and services, and our ability to purchase imported vehicles and/or parts at reasonable prices.

Substantially all of our facilities are subject to federal, state and local provisions regarding the discharge of materials into the environment. Compliance with these provisions has not had, nor do we expect such compliance to have, any material effect upon our capital expenditures, net earnings, financial condition, liquidity, or competitive position. We believe that our current practices and procedures for the control and disposition of such materials comply with applicable federal, state and local requirements. No assurances can be provided, however, that future laws or regulations, or changes in existing laws or regulations, would not require us to expend significant resources in order to comply therewith.

We had $25.2 million of letters of credit outstanding as of September 30, 2025, which are required by certain of our insurance providers. In addition, as of September 30, 2025, we maintained a $24.5 million surety bond line in the ordinary course of our business. Our letters of credit and surety bond line are considered to be off balance sheet arrangements.

Our other material commitments include (i) floor plan notes payable, (ii) operating leases, (iii) long-term debt and (iv) interest on long-term debt.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

**Forward-Looking Information**

Certain of the discussions and information included or incorporated by reference in this report may constitute "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements are statements that are not historical in nature and may include statements relating to our goals, plans and projections regarding industry and general economic trends, our expected financial position, results of operations or market position and our business strategy. Such statements can generally be identified by words such as "may," "target," "could," "would," "will," "should," "believe," "expect," "anticipate," "plan," "intend," "foresee," and other similar words or phrases. Forward-looking statements may also relate to our expectations and assumptions with respect to, among other things:

- the seasonally adjusted annual rate of new vehicle sales in the United States;
- general economic conditions and its expected impact on our revenue and expenses;
- our expected parts and service revenue due to, among other things, improvements in vehicle technology;
- our ability to limit our exposure to regional economic downturns due to our geographic diversity and brand mix;
- manufacturers' continued use of incentive programs to drive demand for their product offerings;
- our capital allocation strategy, including as it relates to acquisitions and divestitures, stock repurchases and capital expenditures;
- our revenue growth strategy;
- the growth of the brands that comprise our portfolio over the long-term;
- disruptions in the production and supply of vehicles and parts from our vehicle and parts manufacturers and other suppliers, which can disrupt our operations; and
- our estimated future capital expenditures, which can be impacted by increasing prices and labor shortages and acquisitions and divestitures.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual future results, performance or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to:

- the ability to acquire and successfully integrate acquired businesses into our existing operations, realize expected benefits and synergies from such acquisitions, and identify and remediate insufficient control activities of the acquired businesses, if any, given that substantially all of our acquired businesses are private companies;
- the effects of increased expenses or unanticipated liabilities incurred as a result of, or due to activities related to our acquisitions or divestitures;
- changes in general economic and business conditions, including the current inflationary environment, the current interest rate environment, changes in U.S. trade policy, including the imposition of tariffs, changes in employment levels, consumer confidence levels, consumer demand and preferences, the availability and cost of credit, fuel prices and levels of discretionary personal income;
- our ability to generate sufficient cash flows, maintain our liquidity and obtain any necessary additional funds for working capital, capital expenditures, acquisitions, stock repurchases, debt maturity payments and other corporate purposes, if necessary or desirable;
- significant disruptions in the production and delivery of vehicles and parts, or our business operations, for any reason, including supply shortages, natural disasters, severe weather including hurricanes and hail, civil unrest, both at home and abroad, product recalls, work stoppages or other occurrences that are outside of our control;
- our ability to successfully attract and retain skilled employees;
- our ability to successfully operate, including our ability to maintain, and obtain future necessary regulatory approvals, for Total Care Auto, Powered by Landcar ("TCA"), our finance and insurance ("F&I") product provider;
- adverse conditions affecting the vehicle manufacturers whose brands we sell, and their ability to design, manufacture, deliver and market their vehicles successfully;
- changes in the mix and total number of vehicles we are able to sell;

- our outstanding indebtedness and our continued ability to comply with applicable covenants in our various financing and lease agreements, or to obtain waivers of these covenants as necessary;
- high levels of competition in our industry, which may create pricing and margin pressures on our products and services;
- our relationships with manufacturers of the vehicles we sell and our ability to renew, and enter into new framework and dealer agreements with vehicle manufacturers whose brands we sell, on terms acceptable to us;
- the availability of manufacturer incentive programs and our ability to earn these incentives;
- failure of our management information systems and our ability to successfully transition between key information systems, including our ability to successfully incorporate new technologies and transition to Tekion, a dealer management systems provider, from CDK, our existing DMS provider;
- failure of management information systems used or maintained by our third-party service providers;
- any data security breaches occurring, including with regard to PII;
- changes in laws and regulations governing the operation of automobile franchises, including trade restrictions, consumer protections, accounting standards, taxation requirements and environmental laws;
- macroeconomic and geopolitical conditions, including global trade relations, changes to consumer and business confidence, international tensions, hostilities and instability, a slowdown in U.S. or global economic growth, higher rates of unemployment, changes in interest rates, inflation, and market volatility;
- changes in, or the imposition of, new tariffs or trade restrictions on imported vehicles or parts;
- adverse results from litigation, regulatory investigations or other similar proceedings involving us, including costs, expenses, settlements and judgments related thereto;
- our ability to consummate planned or pending mergers, acquisitions and dispositions;
- any disruptions in the financial markets, which may impact our ability to access capital;
- our relationships with, and the financial stability of, our lenders and lessors;
- our ability to execute our initiatives and other strategies;
- our ability to leverage scale and cost structure to improve operating efficiencies across our dealership portfolio; and
- our ability to remediate material weakness and the ongoing effectiveness of internal control over financial reporting.

Many of these factors are beyond our ability to control or predict, and their ultimate impact could be material. Moreover, the factors set forth under "Item 1A. Risk Factors" and other cautionary statements made in this report should be read and considered as forward-looking statements subject to such uncertainties. We urge you to carefully consider those factors.

Forward-looking statements speak only as of the date of this report. We expressly disclaim any obligation to update any forward-looking statements contained herein.

**OVERVIEW**

We are one of the largest automotive retailers in the United States. As of September 30, 2025, through our Dealerships segment, we owned and operated 230 new vehicle franchises (175 dealership locations), representing 36 brands of automobiles, within 15 states. As of September 30, 2025, we also operated 39 collision centers, and Total Care Auto, Powered by Landcar ("TCA"), our F&I product provider. Our stores offer an extensive range of automotive products and services, including new and used vehicles; parts and service, which include repair and maintenance services, replacement parts and collision repair services; and finance and insurance products. The finance and insurance products are provided by both TCA and independent third parties. The F&I products offered by TCA are sold through affiliated dealerships. For the nine months ended September 30, 2025, our new vehicle revenue brand mix consisted of 31% luxury, 41% imports and 29% domestic brands. The Company manages its operations in two reportable segments: Dealerships and TCA.

Our Dealerships segment revenues are derived primarily from: (i) the sale of new vehicles; (ii) the sale of used vehicles to individual retail customers ("used retail") and to other dealers at auction ("wholesale") (the terms "used retail" and "wholesale" are collectively referred to as "used"); (iii) repair and maintenance services, including collision repair, the sale of automotive replacement parts, and the reconditioning of used vehicles (collectively referred to as "parts and service"); and (iv) the arrangement of third-party vehicle financing and the sale of a number of vehicle protection products. F&I products are offered by dealerships to customers in connection with the purchase of vehicles through either TCA or independent third parties. We evaluate the results of our new and used vehicle sales based on unit volumes and gross profit per vehicle sold, our parts and

service operations based on aggregate gross profit, and our F&I business based on F&I gross profit per vehicle sold. Amounts presented have been calculated using non-rounded amounts for all periods presented and therefore certain amounts may not compute.

Our continued organic growth is dependent upon the execution of our balanced automotive retailing and service business strategy, the continued strength of our brand mix and the production and allocation of desirable vehicles from the automobile manufacturers whose brands we sell. Our vehicle sales have historically fluctuated with product availability as well as local and national economic conditions, including consumer confidence, availability of consumer credit, fuel prices and employment levels.

In addition, our ability to sell certain new and used vehicles can be negatively impacted by a number of factors, some of which are outside of our control. Certain manufacturers continue to be hampered by the lack of availability of parts and key components from suppliers which has impacted new vehicle inventory levels and availability of certain parts. We cannot predict with any certainty how long the automotive retail industry will continue to be subject to these production slowdowns or when normalized production will resume at these manufacturers.

**Recent Events**

*Herb Chambers acquisition*

On July 21, 2025, the Company completed its previously announced acquisition of substantially all of the assets, including real property and businesses of The Herb Chambers Companies (the "Herb Chambers Dealerships") pursuant to a Purchase and Sale Agreement (the "Transaction Agreement") with various entities that comprise the Herb Chambers automotive group (the "Herb Chambers acquisition") for an aggregate purchase price of approximately $1.78 billion. The acquisition was primarily funded with borrowings under Asbury's existing senior credit facility and borrowings under the 2025 Real Estate Facility. The Herb Chambers acquisition comprised 33 dealerships, 52 franchises and three collision centers and real property and businesses of the Herb Chambers Dealerships (collectively, the "Businesses").

*Macroeconomic and geopolitical considerations*

The demand and availability for and pricing of our products and services may be adversely impacted by economic conditions and financial developments, including increasing interest rates, rising inflation, high energy prices, a potential recessionary environment and other factors. The automotive retail industry is influenced by general economic conditions, particularly consumer confidence and consumer spending, interest rates, fuel prices, exchange rates, technology and business model changes, supply conditions, consumer transportation preferences, credit availability, and the unemployment rate. Consumer spending can be materially and adversely impacted by periods of economic uncertainty or by consumer concern regarding manufacturer viability. In addition, local economic, competitive and other conditions affect the performance of our dealerships. Our results of operations depend substantially on general economic conditions and consumer spending in those regions where we maintain operations.

*Tariffs and trade risks*

A significant portion of our business involves the sale of vehicles, parts, or vehicles composed of, or maintenance and repair services including, parts that are manufactured outside the U.S. Changes or increases in tariffs, trade restrictions, fluctuations in foreign currency exchange rates, the negotiation of new trade agreements, non-tariff trade barriers, local content requirements, uncertainty surrounding global trade policies, and the imposition of new or retaliatory tariffs against certain countries or covering certain products, including vehicles and parts, may affect our competitive position and impair our ability to sell and service vehicles and parts, and have a material adverse effect on our results of operations.

In late January 2025, the U.S. government commenced a broad review of U.S. trade relations, following which it began issuing numerous executive orders and other public policy statements imposing or threatening to impose tariffs on certain countries, materials, and industries, including the automotive industry. Such tariffs include a 25% tariff on imports of automobiles and certain automobile parts, with different rates for some countries as a result of respective trade deals. In response, certain impacted countries have imposed or threatened various corresponding retaliatory tariffs and other actions. If maintained, these and other newly announced tariffs and actions and the potential escalation of trade disputes are expected to affect the automotive industry generally, including manufacturers, distributors and retailers of vehicles, parts and supplies. The extent of the tariffs and the resulting impact on general economic conditions and on our business are uncertain and depend on various factors, such as negotiations between the U.S. and affected countries, the duration of such tariffs, the responses of other countries or regions to such tariffs, the actual increases in the costs of vehicles, products and raw materials, and exemptions or exclusions that may be granted. Should tariffs increase and be sustained, our inventory acquisition and carrying costs, and the production costs for many of our manufacturer, distributor and supplier partners, may be increased, which costs may be passed on to us and consumers through higher prices for many new vehicles and certain parts we sell. These increased prices may

adversely affect our new vehicle sales and related finance and insurance sales and may adversely impact demand for such vehicles and parts, and could materially and adversely affect the results of our operations.

**Financial Highlights**

Highlights related to our financial condition and results of operations include the following:

- Consolidated revenue for the nine months ended September 30, 2025, increased to $13.32 billion, compared to $12.68 billion for the prior year.
- Consolidated gross profit for the nine months ended September 30, 2025, increased to $2.28 billion, compared to $2.20 billion for the prior year.
- The increase in consolidated revenue is primarily due to an increase in new vehicles units sold and parts and service volume growth offset partially by a decrease in used vehicle units sold. The increase in consolidated gross profit is primarily due to an increase in growth in our parts and services gross profit, an increase in used vehicle gross profit per vehicle sold which was offset by lower gross profit per vehicle sold for new vehicles as margins continue to shift downward from the historic highs in recent years.
- Our capital allocation priorities were supported by the repurchase of 220,587 shares for $50.0 million for the nine months ended September 30, 2025, under our share repurchase program.
- We incurred borrowings under our 2023 Senior Credit Facility and 2025 Real Estate Facility upon the consummation of the Herb Chambers acquisition which will increase future floor plan interest expense and other interest expense, net. See Note 3 "Acquisitions and Divestitures" of the notes to the condensed consolidated financial statements for more information.

**CONSOLIDATED RESULTS OF OPERATIONS**

The Company's operating results for the three and nine months ended September 30, 2025 include the results of the Herb Chambers Businesses acquired in the third quarter of 2025. Accordingly, the increases in revenue and gross profit for the three and nine months ended September 30, 2025 compared to the three and nine months ended September 30, 2024 are largely a result of this acquisition.

We assess the organic growth of our revenue and gross profit on a same store basis. We believe that our assessment on a same store basis represents an important indicator of comparative financial performance and provides relevant information to assess our performance. As such, for the following discussion, same store amounts consist of information from dealerships for identical months in each comparative period, commencing with the first full month we owned the dealership. Additionally, amounts related to divested dealerships are excluded from each comparative period.

**Three Months Ended September 30, 2025 Compared to the Three Months Ended September 30, 2024**

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except per share data) | | | |
| REVENUE: | | | | |
| New vehicle | $ 2,528.9 | $ 2,163.5 | $ 365.4 | 17 % |
| Used vehicle | 1,412.2 | 1,294.7 | 117.5 | 9 % |
| Parts and service | 659.4 | 593.1 | 66.3 | 11 % |
| Finance and insurance, net | 200.3 | 185.4 | 14.9 | 8 % |
| TOTAL REVENUE | 4,800.9 | 4,236.7 | 564.2 | 13 % |
| GROSS PROFIT: | | | | |
| New vehicle | 161.0 | 150.4 | 10.6 | 7 % |
| Used vehicle | 65.3 | 59.4 | 5.9 | 10 % |
| Parts and service | 389.1 | 337.1 | 52.0 | 15 % |
| Finance and insurance | 187.1 | 171.2 | 15.9 | 9 % |
| TOTAL GROSS PROFIT | 802.5 | 718.0 | 84.5 | 12 % |
| OPERATING EXPENSES: | | | | |
| Selling, general, and administrative | 527.1 | 466.5 | 60.6 | 13 % |
| Depreciation and amortization | 21.2 | 18.9 | 2.3 | 12 % |
| Asset impairments | 11.7 | — | 11.7 | NM |
| INCOME FROM OPERATIONS | 242.6 | 232.7 | 9.9 | 4 % |
| OTHER EXPENSES (INCOME): | | | | |
| Floor plan interest expense | 26.7 | 22.3 | 4.4 | 20 % |
| Other interest expense, net | 51.3 | 45.7 | 5.6 | 12 % |
| Gain on dealership divestitures, net | (35.7) | (5.0) | (30.7) | NM |
| Total other expenses, net | 42.3 | 63.0 | (20.6) | (33) % |
| INCOME BEFORE INCOME TAXES | 200.2 | 169.7 | 30.5 | 18 % |
| Income tax expense | 53.1 | 43.4 | 9.7 | 22 % |
| NET INCOME | $ 147.1 | $ 126.3 | $ 20.8 | 16 % |
| Net income per common share—Diluted | $ 7.52 | $ 6.37 | $ 1.14 | 18 % |

NM—Not Meaningful

| | For the Three Months Ended September 30, | |
|---|---|---|
| | 2025 | 2024 |
| REVENUE MIX PERCENTAGES: | | |
| New vehicle | 52.7 % | 51.1 % |
| Used vehicle retail | 25.6 % | 27.1 % |
| Used vehicle wholesale | 3.9 % | 3.5 % |
| Parts and service | 13.7 % | 14.0 % |
| Finance and insurance, net | 4.2 % | 4.4 % |
| Total revenue | 100.0 % | 100.0 % |
| GROSS PROFIT MIX PERCENTAGES: | | |
| New vehicle | 20.1 % | 20.9 % |
| Used vehicle retail | 7.7 % | 7.8 % |
| Used vehicle wholesale | 0.5 % | 0.5 % |
| Parts and service | 48.5 % | 46.9 % |
| Finance and insurance, net | 23.3 % | 23.8 % |
| Total gross profit | 100.0 % | 100.0 % |
| GROSS PROFIT MARGIN | 16.7 % | 16.9 % |
| SG&A EXPENSE AS A PERCENTAGE OF GROSS PROFIT | 65.7 % | 65.0 % |

Total revenue during the third quarter of 2025 increased by $564.2 million (13%) compared to the third quarter of 2024, due to a $365.4 million (17%) increase in new vehicle revenue, a $117.5 million (9%) increase in used vehicle revenue, a $66.3 million (11%) increase in parts and service revenue and a $14.9 million (8%) increase in F&I, net revenue. During the three months ended September 30, 2025, gross profit increased by $84.5 million (12%) driven by a $52.0 million (15%) increase in parts and service gross profit, a $15.9 million (9%) increase in F&I gross profit, a $10.6 million (7%) increase in new vehicle gross profit and a $5.9 million (10%) increase in used vehicle gross profit.

Income from operations during the three months ended September 30, 2025 increased by $9.9 million (4%) compared to three months ended September 30, 2024, primarily due to the $84.5 million (12%) increase in gross profit offset by a $60.6 million (13%) increase in selling, general and administrative expenses and an $11.7 million increase in asset impairment expense.

Total other expenses, net decreased by $20.6 million (33%) during the third quarter of 2025 as compared to the third quarter of 2024, primarily as a result of a $30.7 million increase in the gain on dealership divestitures, net offset by a $5.6 million increase in other interest expense, net and a $4.4 million increase in floor plan interest expense. Income before income taxes increased $30.5 million to $200.2 million for the three months ended September 30, 2025 as compared to the three months ended September 30, 2024. Overall, net income increased by $20.8 million during the third quarter of 2025 as compared to the third quarter of 2024.

*New Vehicle—*

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except for per vehicle data) | | | |
| **As Reported:** | | | | |
| Revenue: | | | | |
| Luxury | $ 814.4 | $ 639.2 | $ 175.2 | 27 % |
| Import | 1,034.6 | 897.0 | 137.6 | 15 % |
| Domestic | 679.9 | 627.3 | 52.6 | 8 % |
| Total new vehicle revenue | $ 2,528.9 | $ 2,163.5 | $ 365.4 | 17 % |
| Gross profit: | | | | |
| Luxury | $ 70.6 | $ 61.8 | $ 8.8 | 14 % |
| Import | 57.9 | 56.4 | 1.5 | 3 % |
| Domestic | 32.5 | 32.1 | 0.4 | 1 % |
| Total new vehicle gross profit | $ 161.0 | $ 150.4 | $ 10.6 | 7 % |
| New vehicle units: | | | | |
| Luxury | 10,918 | 8,951 | 1,967 | 22 % |
| Import | 25,080 | 22,500 | 2,580 | 11 % |
| Domestic | 12,072 | 11,156 | 916 | 8 % |
| Total new vehicle units | 48,070 | 42,607 | 5,463 | 13 % |
| | | | | |
| **Same Store:** | | | | |
| Revenue: | | | | |
| Luxury | $ 622.5 | $ 611.8 | $ 10.6 | 2 % |
| Import | 966.8 | 840.3 | 126.5 | 15 % |
| Domestic | 634.7 | 598.9 | 35.8 | 6 % |
| Total new vehicle revenue | $ 2,224.0 | $ 2,051.0 | $ 172.9 | 8 % |
| Gross profit: | | | | |
| Luxury | $ 55.9 | $ 59.1 | $ (3.2) | (5) % |
| Import | 52.7 | 53.3 | (0.6) | (1) % |
| Domestic | 28.9 | 30.7 | (1.8) | (6) % |
| Total new vehicle gross profit | $ 137.5 | $ 143.1 | $ (5.6) | (4) % |
| New vehicle units | | | | |
| Luxury | 8,403 | 8,514 | (111) | (1) % |
| Import | 23,423 | 21,092 | 2,331 | 11 % |
| Domestic | 11,296 | 10,681 | 615 | 6 % |
| Total new vehicle units | 43,122 | 40,287 | 2,835 | 7 % |

*New Vehicle Metrics—*

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| **As Reported:** | | | | |
| Revenue per new vehicle sold | $ 52,609 | $ 50,778 | $ 1,830 | 4 % |
| Gross profit per new vehicle sold | $ 3,350 | $ 3,529 | $ (180) | (5) % |
| New vehicle gross margin | 6.4 % | 7.0 % | (0.6) % | |
| | | | | |
| Luxury: | | | | |
| Gross profit per new vehicle sold | $ 6,471 | $ 6,906 | $ (436) | (6) % |
| New vehicle gross margin | 8.7 % | 9.7 % | (1.0) % | |
| Import: | | | | |
| Gross profit per new vehicle sold | $ 2,308 | $ 2,508 | $ (200) | (8) % |
| New vehicle gross margin | 5.6 % | 6.3 % | (0.7) % | |
| Domestic: | | | | |
| Gross profit per new vehicle sold | $ 2,692 | $ 2,881 | $ (189) | (7) % |
| New vehicle gross margin | 4.8 % | 5.1 % | (0.3) % | |
| | | | | |
| **Same Store:** | | | | |
| Revenue per new vehicle sold | $ 51,574 | $ 50,911 | $ 663 | 1 % |
| Gross profit per new vehicle sold | $ 3,188 | $ 3,552 | $ (363) | (10) % |
| New vehicle gross margin | 6.2 % | 7.0 % | (0.8) % | |
| | | | | |
| Luxury: | | | | |
| Gross profit per new vehicle sold | $ 6,648 | $ 6,937 | $ (289) | (4) % |
| New vehicle gross margin | 9.0 % | 9.7 % | (0.7) % | |
| Import: | | | | |
| Gross profit per new vehicle sold | $ 2,249 | $ 2,527 | $ (278) | (11) % |
| New vehicle gross margin | 5.4 % | 6.3 % | (0.9) % | |
| Domestic: | | | | |
| Gross profit per new vehicle sold | $ 2,562 | $ 2,876 | $ (314) | (11) % |
| New vehicle gross margin | 4.6 % | 5.1 % | (0.6) % | |

For the three months ended September 30, 2025, new vehicle revenue increased by $365.4 million (17%) due to an increase in new vehicle units sold of 5,463 (13%) and an $1,830 (4%) increase in revenue per new vehicle sold as compared to the three months ended September 30, 2024. Same store new vehicle revenue increased by $172.9 million, driven by an increase in new vehicles sold of 2,835 (7%) and a $663 (1%) increase in revenue per new vehicle sold as compared to the three months ended September 30, 2024.

For the three months ended September 30, 2025, new vehicle gross profit and same store new vehicle gross profit increased by $10.6 million (7%) and decreased by $5.6 million (4%), respectively. Same store new vehicle gross margin for the three months ended September 30, 2025, decreased 79 basis points to 6.2%. A 58 basis points decrease was seen in new vehicle gross profit margins, as reported. The decrease in our new vehicle gross profit margin was primarily attributable to the continued easing of new vehicle inventory constraints which softened the historically high new vehicle margins seen in recent years.

The seasonally adjusted annual rate ("SAAR") for new vehicle sales in the U.S. during the three months ended September 30, 2025, was approximately 16.3 million which increased as compared to approximately 15.6 million during the three months ended September 30, 2024. The increase in SAAR period over period reflects higher consumer demand for new vehicles driven by automobile tariff uncertainty and expiring electric vehicle federal tax credits. We also continue to be impacted by the significant variation in new vehicle days supply among brands and models.

*Used Vehicle—*

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except for per vehicle data) | | | |
| **As Reported:** | | | | |
| Revenue: | | | | |
| Used vehicle retail revenue | $ 1,226.8 | $ 1,148.5 | $ 78.3 | 7 % |
| Used vehicle wholesale revenue | 185.5 | 146.2 | 39.3 | 27 % |
| Used vehicle revenue | $ 1,412.2 | $ 1,294.7 | $ 117.5 | 9 % |
| Gross profit: | | | | |
| Used vehicle retail gross profit | $ 61.5 | $ 56.1 | $ 5.4 | 10 % |
| Used vehicle wholesale gross profit | 3.8 | 3.3 | 0.5 | 14 % |
| Used vehicle gross profit | $ 65.3 | $ 59.4 | $ 5.9 | 10 % |
| Used vehicle retail units: | | | | |
| Used vehicle retail units | 37,696 | 37,347 | 349 | 1 % |
| | | | | |
| **Same Store:** | | | | |
| Revenue: | | | | |
| Used vehicle retail revenue | $ 1,092.2 | $ 1,098.6 | $ (6.4) | (1) % |
| Used vehicle wholesale revenue | 171.6 | 143.2 | 28.3 | 20 % |
| Used vehicle revenue | $ 1,263.8 | $ 1,241.8 | $ 22.0 | 2 % |
| Gross profit: | | | | |
| Used vehicle retail gross profit | $ 53.2 | $ 54.4 | $ (1.3) | (2) % |
| Used vehicle wholesale gross profit | 2.9 | 3.6 | (0.7) | (19) % |
| Used vehicle gross profit | $ 56.1 | $ 58.0 | $ (1.9) | (3) % |
| Used vehicle retail units: | | | | |
| Used vehicle retail units | 34,294 | 35,597 | (1,303) | (4) % |

*Used Vehicle Metrics—*

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| **As Reported:** | | | | |
| Revenue per used vehicle retailed | $ 32,543 | $ 30,751 | $ 1,792 | 6 % |
| Gross profit per used vehicle retailed | $ 1,631 | $ 1,501 | $ 130 | 9 % |
| Used vehicle retail gross margin | 5.0 % | 4.9 % | 0.1 % | |
| | | | | |
| **Same Store:** | | | | |
| Revenue per used vehicle retailed | $ 31,848 | $ 30,861 | $ 987 | 3 % |
| Gross profit per used vehicle retailed | $ 1,551 | $ 1,529 | $ 22 | 1 % |
| Used vehicle retail gross margin | 4.9 % | 5.0 % | (0.1) % | |

For the three months ended September 30, 2025, used vehicle revenue increased by $117.5 million (9%) compared to the same period of the prior year, due to a $78.3 million (7%) increase in used vehicle retail revenue and a $39.3 million (27%) increase in used vehicle wholesale revenue. Same store used vehicle revenue increased by $22.0 million, largely due to a $28.3 million (20%) increase in used vehicle wholesale revenue, offset by a $6.4 million (1%) decrease in used vehicle retail revenue. Total used vehicle retail unit sales increased by 1% while same store used vehicle retail unit sales decreased by 4% during the three months ended September 30, 2025 as compared to the three months ended September 30, 2024. Used vehicle revenue and unit volumes have been negatively impacted by the lack of inventory availability, especially in vehicles with lower mileage. Revenue per used vehicle retailed increased in the third quarter of 2025, on both an all store and same store basis.

For the three months ended September 30, 2025, total Company and same store used vehicle retail gross profit margins increased by 13 basis points and decreased by 9 basis points, respectively, as compared to the three months ended September 30, 2024. Increases in used vehicle gross margins on a total Company basis were largely driven by the addition of the Herb Chambers Dealerships during the three months ended September 30, 2025 as compared to the three months ended September 30, 2024.

For the three months ended September 30, 2025, used vehicle retail gross profit margins increased from 4.9% to 5.0% for all stores and decreased 5.0% to 4.9% on a same store basis when compared to the same period of the prior year. Used vehicle retail gross profit increased $5.4 million (10%) for the three months ended September 30, 2025 as compared to the three months ended September 30, 2024 and decreased $1.3 million (2%) on a same store basis for the same periods. On a total company and same store basis, our gross profit per used vehicle retailed increased $130 (9%), and $22 (1%), respectively, when compared to the prior year period, which was primarily driven by increases in used vehicle market prices due to the tight used vehicle inventory market.

*Parts and Service—*

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions) | | | |
| **As Reported:** | | | | |
| Parts and service revenue | $ 659.4 | $ 593.1 | $ 66.3 | 11 |
| Parts and service gross profit: | | | | |
| Customer pay | $ 207.0 | $ 177.7 | $ 29.2 | 16 |
| Warranty | 60.0 | 48.9 | 11.1 | 23 |
| Collision | 31.4 | 31.3 | 0.1 | — |
| Wholesale parts | 20.5 | 19.5 | 1.0 | 5 |
| Parts and service gross profit, excluding reconditioning and preparation | $ 318.8 | $ 277.4 | $ 41.4 | 15 |
| Parts and service gross margin, excluding reconditioning and preparation | 48.3% | 46.8% | 1.6 % | |
| Reconditioning and preparation * | $ 70.3 | $ 59.7 | $ 10.6 | 18 |
| Total parts and service gross profit | $ 389.1 | $ 337.1 | $ 52.0 | 15 |
| Total parts and service gross margin | 59.0% | 56.8% | 2.2 % | |
| | | | | |
| **Same Store:** | | | | |
| Parts and service revenue | $ 591.1 | $ 566.6 | $ 24.5 | 4 |
| Parts and service gross profit: | | | | |
| Customer pay | $ 183.2 | $ 169.7 | $ 13.5 | 8 |
| Warranty | 50.7 | 47.3 | 3.4 | 7 |
| Collision | 29.5 | 31.0 | (1.4) | (5) |
| Wholesale parts | 19.1 | 18.4 | 0.7 | 4 |
| Parts and service gross profit, excluding reconditioning and preparation | $ 282.5 | $ 266.4 | $ 16.1 | 6 |
| Parts and service gross margin, excluding reconditioning and preparation | 47.8% | 47.0% | 0.8 % | |
| Reconditioning and preparation * | $ 65.1 | $ 57.0 | $ 8.0 | 14 |
| Total parts and service gross profit | $ 347.6 | $ 323.4 | $ 24.2 | 7 |
| Total parts and service gross margin | 58.8% | 57.1% | 1.7 % | |

** Reconditioning and preparation represents the gross profit earned by our parts and service departments for internal work performed and is included as a reduction of Parts and Service Cost of Sales in the accompanying Condensed Consolidated Statements of Income upon the sale of the vehicle.*

The $66.3 million (11%) increase in parts and service revenue was primarily due to a $43.7 million (14%) increase in customer pay revenue, a $19.0 million (21%) increase in warranty revenue, a $2.6 million (1%) increase in wholesale parts revenue and a $1.0 million (1%) increase in collision revenue. Same store parts and service revenue increased by $24.5 million (4%) to $591.1 million during the three months ended September 30, 2025 from $566.6 million during the three months ended September 30, 2024. The increase in same store parts and service revenue was due to a $19.3 million (6%) increase in customer

pay revenue, a $6.9 million (8%) increase in warranty revenue and a $1.2 million (1%) increase in wholesale parts revenue, partially offset by a $3.0 million (4%) decrease in collision revenue. The average age of vehicles in 2025 is historically high at 12.8 years. Consumers are retaining vehicles for longer periods of time due to various factors, including the higher cost of vehicles, higher interest rates, as well as the vehicle inventory constraints experienced in the automotive industry in recent years.

For the three months ended September 30, 2025, total parts and service gross profit increased by $52.0 million (15%) to $389.1 million and same store total parts and service gross profit increased by $24.2 million (7%) to $347.6 million when compared to the same period of the prior year. The all store and same store increase is primarily due to increased customer pay and warranty volume, which is in line with the increasing trend of aged vehicles.

*Finance and Insurance, net—*

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except for per vehicle data) | | | |
| **As Reported:** | | | | |
| Finance and insurance, net revenue | $ 200.3 | $ 185.4 | $ 14.9 | 8 % |
| Finance and insurance, net gross profit | $ 187.1 | $ 171.2 | $ 15.9 | 9 % |
| Finance and insurance, net per vehicle sold | $ 2,182 | $ 2,141 | $ 41 | 2 % |
| | | | | |
| **Same Store:** | | | | |
| Finance and insurance, net revenue | $ 181.6 | $ 179.6 | $ 2.1 | 1 % |
| Finance and insurance, net gross profit | $ 168.4 | $ 165.3 | $ 3.0 | 2 % |
| Finance and insurance, net per vehicle sold | $ 2,175 | $ 2,179 | $ (4) | — % |

F&I revenue, net increased by $14.9 million (8%) during the third quarter of 2025 when compared to the third quarter of 2024, as a result of a 7% increase in total retail units sold and a $41 (2%) increase in F&I per vehicle retailed.

On a same store basis, F&I revenue, net increased by $2.1 million (1%) during the three months ended September 30, 2025 when compared to the three months ended September 30, 2024, primarily due to a 2% increase in total retail units sold. F&I revenue, net was negatively impacted by the deferral of commission revenue on the sale of TCA products, which we continue to roll out to all our stores, as compared to the immediate revenue recognition on the sale of third party F&I products. In addition, customers continue to look for ways to manage lower monthly payments in a high interest rate environment.

The financial results of the TCA segment, after dealership eliminations, are as follows:

| | For the Three Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions) | | | |
| Finance and insurance, revenue | $ 23.7 | $ 29.6 | $ (5.9) | (20) % |
| Finance and insurance, cost of sales | $ 13.2 | $ 14.2 | $ (1.0) | (7) % |
| Finance and insurance, gross profit | $ 10.4 | $ 15.3 | $ (4.9) | (32) % |

TCA offers a variety of F&I products, such as extended vehicle service contracts, prepaid maintenance contracts, GAP, appearance protection contracts and lease wear-and-tear contracts. TCA's products are sold through our automobile dealerships.

Revenue generated by TCA is earned over the period of the related product contract. The method for recognizing revenue is assigned based on contract type and expected claim patterns. Premium revenues are supplemented with investment gains or losses and income earned associated with the performance of TCA's investment portfolio. During the three months ended September 30, 2025, TCA generated $23.7 million revenue, after dealership eliminations, consisting primarily of earned premiums and $5.5 million investment income from the investment portfolio. F&I revenue decreased by $5.9 million (20%) for the three months ended September 30, 2025 as compared to the three months ended September 30, 2024 due to the continued roll-out of TCA products across Asbury dealerships resulting in the deferral of F&I revenue over the TCA contract term as opposed to the immediate recognition of revenue associated with third-party F&I product sales.

Direct expenses incurred for the acquisition of F&I contracts on which revenue has not yet been recognized have been deferred and are amortized over the related contract period. During the three months ended September 30, 2025, TCA recorded $13.2 million of cost of sales consisting primarily of claims expense. Commissions expense paid by TCA to our affiliated dealerships and reflected as F&I revenue in our Dealerships segment is eliminated in the TCA segment upon consolidation.

As we continue to integrate TCA, we expect a rollout of TCA products to our Koons stores in the fourth quarter of 2025 and our Herb Chambers stores beginning in 2026. With the ownership of TCA, while the combined profitability of the transaction is higher, the timing of revenue and cost recognition is deferred and amortized over the life of the contract. We expect that this rollout will result in lower F&I revenue and gross profit over the next few years due to the change in how revenue is earned from these contracts. The extent of the lower F&I revenue and gross profit will vary due to various factors including, but not limited to, SAAR levels and the Company's acquisition and divestiture activity.

*Selling, General, and Administrative Expense—*

| | For the Three Months Ended September 30, | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | % of Gross Profit | 2024 | % of Gross Profit | Increase (Decrease) | % of Gross Profit Increase (Decrease) |
| | (Dollars in millions) | | | | | |
| **As Reported:** | | | | | | |
| Personnel costs | $ 334.9 | 41.7 % | $ 304.3 | 42.4 % | $ 30.6 | (0.7) % |
| Rent and related expenses | 39.6 | 4.9 % | 37.3 | 5.2 % | 2.3 | (0.3) % |
| Advertising | 18.7 | 2.3 % | 16.0 | 2.2 % | 2.8 | 0.1 % |
| Other | 133.8 | 16.7 % | 109.0 | 15.2 % | 24.9 | 1.5 % |
| Selling, general, and administrative expense | $ 527.1 | 65.7 % | $ 466.5 | 65.0 % | $ 60.6 | 0.7 % |
| Gross profit | $ 802.5 | | $ 718.0 | | | |
| **Same Store:** | | | | | | |
| Personnel costs | $ 295.0 | 41.6 % | $ 290.7 | 42.1 % | $ 4.3 | (0.6) % |
| Rent and related expenses | 32.8 | 4.6 % | 35.8 | 5.2 % | (3.0) | (0.6) % |
| Advertising | 14.6 | 2.1 % | 14.7 | 2.1 % | (0.1) | (0.1) % |
| Other | 111.4 | 15.7 % | 104.0 | 15.1 % | 7.4 | 0.6 % |
| Selling, general, and administrative expense | $ 453.8 | 64.0 % | $ 445.2 | 64.5 % | $ 8.6 | (0.6) % |
| Gross profit | $ 709.5 | | $ 689.8 | | | |

SG&A expense as a percentage of gross profit increased 71 basis points from 65.0% for the three months ended September 30, 2024 to 65.7% for the three months ended September 30, 2025, while same store SG&A expense as a percentage of gross profit decreased 58 basis points to 64.0% over the same period in 2025. The increase in SG&A expense as a percentage of gross profit on a total company basis during the three months ended September 30, 2025 is primarily due to an increase of $30.6 million in personnel expenses driven by the Herb Chambers acquisition and an increase in other expenses of $24.9 million due to transaction costs incurred of $9.6 million associated with the Herb Chambers acquisition and other outside service costs related to legal and professional fees incurred. The decrease in SG&A expense as a percentage of gross profit on a same store basis during the three months ended September 30, 2025 is primarily the result of higher gross profits for the three months ended September 30, 2025 as compared to the three months ended September 30, 2024.

*Floor Plan Interest Expense—*

Floor plan interest expense increased by $4.4 million to $26.7 million during the three months ended September 30, 2025 as compared to $22.3 million floor plan interest expense for the three months ended September 30, 2024 primarily due to lower

balances held in our offset accounts during the three months ended September 30, 2025 as compared to the same period in the prior year.

*Other Interest Expense—*

Other interest expense increased $5.6 million (12%) during the three months ended September 30, 2025 from $45.7 million during the three months ended September 30, 2024 to $51.3 million. This increase was primarily due to a $5.3 million increase in our mortgage facilities interest expense as a result of borrowings incurred in connection with the Herb Chambers acquisition.

*Gain on Dealership Divestitures, net—*

During the three months ended September 30, 2025, we sold two Lexus franchises (two dealership locations) and one Chrysler Jeep Dodge Ram franchise (one dealership location) in Salt Lake City, Utah, and one Chrysler Jeep Dodge Ram franchise (one dealership location) in Denver, Colorado. The Company recorded a pre-tax gain totaling $35.7 million, which is presented in our accompanying condensed consolidated statements of income as a gain on dealership divestitures, net.

During the three months ended September 30, 2024, we sold one Nissan franchise (one dealership location) in Denver, Colorado, and one Nissan franchise (one dealership location) in Atlanta, Georgia. The Company recorded a pre-tax gain totaling $5.0 million, which is presented in our accompanying condensed consolidated statements of income as a gain on dealership divestitures, net.

*Income Tax Expense—*

The $9.7 million increase in income tax expense was primarily the result of a $30.5 million increase in income before income taxes and the impact on our deferred taxes due to the acquisition of the Herb Chambers Businesses. Our effective tax rate for the three months ended September 30, 2025 was 26.5% compared to 25.6% in the prior year comparative period, which differed from the U.S. statutory rate primarily due to the favorable effects of the windfall component of equity compensation as well as the favorable effects of amended state income tax returns, which are discrete items, and unfavorable effects of various permanent tax adjustments such as executive compensation. We estimate our effective tax rate for the year ended December 31, 2025 at 25.5%. This estimated effective tax rate includes the effects of the deferred tax impact related to an increase in our estimated future state effective tax rate due to the acquisition of the Herb Chambers Businesses.

**CONSOLIDATED RESULTS OF OPERATIONS**

We assess the organic growth of our revenue and gross profit on a same store basis. We believe that our assessment on a same store basis represents an important indicator of comparative financial performance and provides relevant information to assess our performance. As such, for the following discussion, same store amounts consist of information from dealerships for identical months in each comparative period, commencing with the first full month we owned the dealership. Additionally, amounts related to divested dealerships are excluded from each comparative period for same store reporting.

**Nine Months Ended September 30, 2025 Compared to the Nine Months Ended September 30, 2024**

| | For the Nine Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except per share data) | | | |
| REVENUE: | | | | |
| New vehicle | $ 6,970.9 | $ 6,392.6 | $ 578.2 | 9 % |
| Used vehicle | 3,933.8 | 3,959.6 | (25.8) | (1) % |
| Parts and service | 1,848.5 | 1,764.3 | 84.2 | 5 % |
| Finance and insurance, net | 569.3 | 567.5 | 1.8 | — % |
| TOTAL REVENUE | 13,322.5 | 12,684.1 | 638.4 | 5 % |
| GROSS PROFIT: | | | | |
| New vehicle | 464.1 | 468.3 | (4.2) | (1) % |
| Used vehicle | 198.8 | 192.3 | 6.4 | 3 % |
| Parts and service | 1,086.6 | 1,011.1 | 75.5 | 7 % |
| Finance and insurance | 529.2 | 527 | 2.2 | — % |
| TOTAL GROSS PROFIT | 2,278.6 | 2,198.8 | 79.9 | 4 % |
| OPERATING EXPENSES: | | | | |
| Selling, general, and administrative | 1,458.9 | 1,411.6 | 47.3 | 3 % |
| Depreciation and amortization | 59.4 | 55.8 | 3.6 | 7 % |
| Asset impairments | 26.0 | 135.4 | (109.4) | NM |
| INCOME FROM OPERATIONS | 734.3 | 596.0 | 138.3 | 23 % |
| OTHER EXPENSES (INCOME): | | | | |
| Floor plan interest expense | 65.6 | 66.1 | (0.6) | (1) % |
| Other interest expense, net | 135.0 | 134.9 | 0.2 | — % |
| Gain on dealership divestitures, net | (45.8) | (8.6) | (37.1) | NM |
| Total other expenses, net | 154.8 | 192.4 | (37.5) | (20) % |
| INCOME BEFORE INCOME TAXES | 579.5 | 403.6 | 175.8 | 44 % |
| Income tax expense | 147.5 | 102.1 | 45.4 | 44 % |
| NET INCOME | $ 432.0 | $ 301.5 | $ 130.4 | 43 % |
| Net income per share—Diluted | $ 21.99 | $ 14.99 | $ 7.00 | 47 % |

NM—Not Meaningful

| | For the Nine Months Ended September 30, | |
|---|---|---|
| | 2025 | 2024 |
| REVENUE MIX PERCENTAGES: | | |
| New vehicle | 52.3 % | 50.4 % |
| Used vehicle retail | 25.8 % | 27.6 % |
| Used vehicle wholesale | 3.7 % | 3.6 % |
| Parts and service | 13.9 % | 13.9 % |
| Finance and insurance, net | 4.3 % | 4.5 % |
| Total revenue | 100.0 % | 100.0 % |
| GROSS PROFIT MIX PERCENTAGES: | | |
| New vehicle | 20.4 % | 21.3 % |
| Used vehicle retail | 7.9 % | 8.1 % |
| Used vehicle wholesale | 0.8 % | 0.7 % |
| Parts and service | 47.7 % | 46.0 % |
| Finance and insurance, net | 23.2 % | 24.0 % |
| Total gross profit | 100.0 % | 100.0 % |
| GROSS PROFIT MARGIN | 17.1 % | 17.3 % |
| SG&A EXPENSE AS A PERCENTAGE OF GROSS PROFIT | 64.0 % | 64.2 % |

Total revenue for the nine months ended September 30, 2025 increased by $638.4 million (5%) compared to the nine months ended September 30, 2024, due to a $578.2 million (9%) increase in new vehicle revenue, an $84.2 million (5%) increase in parts and service revenue and a $1.8 million increase in F&I, revenue, net, offset by a $25.8 million (1%) decrease in used vehicle revenue. The $79.9 million (4%) increase in gross profit during the nine months ended September 30, 2025, as compared to the nine months ended September 30, 2024, was driven by a $75.5 million (7%) increase in parts and service gross profit, a $6.4 million (3%) increase in used vehicle gross profit and a $2.2 million increase in F&I gross profit, offset by a $4.2 million (1%) decrease in new vehicle gross profit.

Income from operations during the nine months ended September 30, 2025 increased by $138.3 million (23%), compared to the nine months ended September 30, 2024, primarily due to a $109.4 million decrease in asset impairment charges and a $79.9 million (4%) increase in gross profit, partially offset by a $47.3 million (3%) increase in SG&A expense and a $3.6 million (7%) increase in depreciation and amortization expense.

Total other expenses, net decreased by $37.5 million (20%) as a result of a $37.1 million increase in gain on dealership divestitures, net, recorded during the nine months ended September 30, 2025 when compared to the same period of the prior year. Income before income taxes increased $175.8 million (44%) to $579.5 million for the nine months ended September 30, 2025. Overall, net income increased by $130.4 million (43%) during the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024.

*New Vehicle—*

| | For the Nine Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except for per vehicle data) | | | |
| **As Reported:** | | | | |
| Revenue: | | | | |
| Luxury | $ 2,141.2 | $ 1,877.7 | $ 263.5 | 14 % |
| Import | 2,830.7 | 2,641.1 | 189.6 | 7 % |
| Domestic | 1,999.0 | 1,873.9 | 125.1 | 7 % |
| Total new vehicle revenue | $ 6,970.9 | $ 6,392.6 | $ 578.2 | 9 % |
| Gross profit: | | | | |
| Luxury | $ 197.6 | $ 183.3 | $ 14.3 | 8 % |
| Import | 167.2 | 175.8 | (8.7) | (5) % |
| Domestic | 99.4 | 109.2 | (9.8) | (9) % |
| Total new vehicle gross profit | $ 464.1 | $ 468.3 | $ (4.2) | (1) % |
| New vehicle units: | | | | |
| Luxury | 28,930 | 26,248 | 2,682 | 10 % |
| Import | 69,661 | 66,650 | 3,011 | 5 % |
| Domestic | 35,412 | 33,065 | 2,347 | 7 % |
| Total new vehicle units | 134,003 | 125,963 | 8,040 | 6 % |
| | | | | |
| **Same Store:** | | | | |
| Revenue: | | | | |
| Luxury | $ 1,893.2 | $ 1,791.5 | $ 101.7 | 6 % |
| Import | 2,710.4 | 2,468.8 | 241.6 | 10 % |
| Domestic | 1,899.8 | 1,782.3 | 117.5 | 7 % |
| Total new vehicle revenue | $ 6,503.4 | $ 6,042.6 | $ 460.7 | 8 % |
| Gross profit: | | | | |
| Luxury | $ 176.8 | $ 174.2 | $ 2.6 | 1 % |
| Import | 158.6 | 167.1 | (8.5) | (5) % |
| Domestic | 93.0 | 104.1 | (11.1) | (11) % |
| Total new vehicle gross profit | $ 428.4 | $ 445.4 | $ (17.0) | (4) % |
| New vehicle units: | | | | |
| Luxury | 25,551 | 24,870 | 681 | 3 % |
| Import | 66,728 | 62,353 | 4,375 | 7 % |
| Domestic | 33,710 | 31,504 | 2,206 | 7 % |
| Total new vehicle units | 125,989 | 118,727 | 7,262 | 6 % |

*New Vehicle Metrics—*

| | For the Nine Months Ended September 30, | | | |
|---|---|---|---|---|
| | 2025 | 2024 | Increase (Decrease) | % Change |
| **As Reported:** | | | | |
| Revenue per new vehicle sold | $ 52,020 | $ 50,750 | $ 1,270 | 3 % |
| Gross profit per new vehicle sold | $ 3,463 | $ 3,718 | $ (254) | (7) % |
| New vehicle gross margin | 6.7% | 7.3% | (0.7) % | |
| | | | | |
| Luxury: | | | | |
| Gross profit per new vehicle sold | $ 6,829 | $ 6,982 | $ (153) | (2) % |
| New vehicle gross margin | 9.2% | 9.8% | (0.5) % | |
| Import: | | | | |
| Gross profit per new vehicle sold | $ 2,400 | $ 2,638 | $ (238) | (9) % |
| New vehicle gross margin | 5.9% | 6.7% | (0.8) % | |
| Domestic: | | | | |
| Gross profit per new vehicle sold | $ 2,806 | $ 3,302 | $ (496) | (15) % |
| New vehicle gross margin | 5.0% | 5.8% | (0.9) % | |
| | | | | |
| **Same Store:** | | | | |
| Revenue per new vehicle sold | $ 51,619 | $ 50,895 | $ 723 | 1 % |
| Gross profit per new vehicle sold | $ 3,400 | $ 3,752 | $ (351) | (9) % |
| New vehicle gross margin | 6.6% | 7.4% | (0.8) % | |
| | | | | |
| Luxury: | | | | |
| Gross profit per new vehicle sold | $ 6,919 | $ 7,004 | $ (85) | (1) % |
| New vehicle gross margin | 9.3% | 9.7% | (0.4) % | |
| Import: | | | | |
| Gross profit per new vehicle sold | $ 2,377 | $ 2,680 | $ (303) | (11) % |
| New vehicle gross margin | 5.9% | 6.8% | (0.9) % | |
| Domestic: | | | | |
| Gross profit per new vehicle sold | $ 2,760 | $ 3,306 | $ (546) | (17) % |
| New vehicle gross margin | 4.9% | 5.8% | (0.9) % | |

For the nine months ended September 30, 2025, new vehicle revenue increased by $578.2 million (9%) due to an increase in new vehicle units sold of 8,040 (6%) and a $1,270 (3%) increase in revenue per new vehicle sold as compared to the nine months ended September 30, 2024. Same store new vehicle revenue increased by $460.7 million (8%), driven by an increase in new vehicles sold of 7,262 (6%) and a $723 (1%) increase in revenue per new vehicle sold as compared to the nine months ended September 30, 2024.

For the nine months ended September 30, 2025, new vehicle gross profit and same store new vehicle gross profit decreased by $4.2 million (1%) and $17.0 million (4%), respectively as compared to the same period in the prior year. Same store new vehicle gross margin for the nine months ended September 30, 2025 decreased 78 basis points to 6.6%. A 67 basis points decrease was seen in new vehicle gross profit margins, as reported. The decrease in our new vehicle gross profit margin was primarily attributable to the continued easing of new vehicle inventory constraints which softened the historically high new vehicle margins seen in recent years.

The seasonally adjusted annual rate ("SAAR") for new vehicle sales in the U.S. during the nine months ended September 30, 2025 was approximately 16.3 million which increased as compared to approximately 15.6 million during the nine months ended September 30, 2024. The increase in SAAR period over period reflects higher inventory supply and consumer demand for new vehicles driven by automobile tariff uncertainty and expiring electric vehicle federal tax credits. We also continue to be impacted by the significant variation in new vehicle days supply among brands and models.

*Used Vehicle—*

| | For the Nine Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except for per vehicle data) | | | |
| **As Reported:** | | | | |
| Revenue: | | | | |
| Used vehicle retail revenue | $ 3,435.1 | $ 3,507.0 | $ (71.9) | (2) % |
| Used vehicle wholesale revenue | 498.7 | 452.6 | 46.1 | 10 % |
| Used vehicle revenue | $ 3,933.8 | $ 3,959.6 | $ (25.8) | (1) % |
| Gross profit: | | | | |
| Used vehicle retail gross profit | $ 180.0 | $ 177.4 | $ 2.6 | 1 % |
| Used vehicle wholesale gross profit | 18.8 | 14.9 | 3.9 | 26 % |
| Used vehicle gross profit | $ 198.8 | $ 192.3 | $ 6.4 | 3 % |
| Used vehicle retail units: | | | | |
| Used vehicle retail units | 109,344 | 115,370 | (6,026) | (5) % |
| | | | | |
| **Same Store:** | | | | |
| Revenue: | | | | |
| Used vehicle retail revenue | $ 3,229.3 | $ 3,336.0 | $ (106.7) | (3) % |
| Used vehicle wholesale revenue | 479.2 | 440.8 | 38.5 | 9 % |
| Used vehicle revenue | $ 3,708.5 | $ 3,776.8 | $ (68.2) | (2) % |
| Gross profit: | | | | |
| Used vehicle retail gross profit | $ 168.8 | $ 172.2 | $ (3.4) | (2) % |
| Used vehicle wholesale gross profit | 17.8 | 14.9 | 2.9 | 20 % |
| Used vehicle gross profit | $ 186.6 | $ 187.1 | $ (0.5) | — % |
| Used vehicle retail units: | | | | |
| Used vehicle retail units | 103,567 | 109,132 | (5,565) | (5) % |

*Used Vehicle Metrics—*

| | For the Nine Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| **As Reported:** | | | | |
| Revenue per used vehicle retailed | $ 31,415 | $ 30,398 | $ 1,017 | 3 % |
| Gross profit per used vehicle retailed | $ 1,646 | $ 1,538 | $ 108 | 7 % |
| Used vehicle retail gross margin | 5.2 % | 5.1 % | 0.2 % | |
| | | | | |
| **Same Store:** | | | | |
| Revenue per used vehicle retailed | $ 31,181 | $ 30,569 | $ 612 | 2 % |
| Gross profit per used vehicle retailed | $ 1,630 | $ 1,578 | $ 52 | 3 % |
| Used vehicle retail gross margin | 5.2 % | 5.2 % | 0.1 % | |

For the nine months ended September 30, 2025, used vehicle revenue decreased by $25.8 million (1%) compared to the same period of the prior year, due to a $71.9 million (2%) decrease in used vehicle retail revenue partially offset by a $46.1 million (10%) increase in used vehicle wholesale revenue. Same store used vehicle revenue decreased by $68.2 million (2%) due to a $106.7 million (3%) decrease in used vehicle retail revenue partially offset by a $38.5 million (9%) increase in used vehicle wholesale revenue. Both total used vehicle retail unit sales and same store used vehicle retail sales decreased by 5% during the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024. Used vehicle unit volumes have been negatively impacted by the lack of inventory availability, especially in vehicles with lower mileage. Revenue per used vehicle retailed increased during nine months ended September 30, 2025 compared to the same period of the prior year.

For the nine months ended September 30, 2025, total company and same store gross profit margins increased by 18 basis points and 6 basis points, respectively, as compared to the nine months ended September 30, 2024. Increases in used vehicle gross margins, on both a total Company and same store basis, were largely driven by higher prices for used vehicles during the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024.

For the nine months ended September 30, 2025, used vehicle retail gross profit margins increased from 5.1% to 5.2% for all stores and remained consistent on a same store basis when compared to the same period of the prior year. Used vehicle retail gross profit increased $2.6 million (1%) for the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024 and decreased $3.4 million (2%) on a same store basis for the same period. On a total company basis, our gross profit per used vehicle retailed increased $108 (7%), and on a same store basis, our gross profit per used vehicle retailed increased $52 (3%) when compared to the prior period, which was primarily driven by increases in used vehicle market prices due to the surge in demand as a result of tariff uncertainty.

*Parts and Service—*

| | For the Nine Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions) | | | |
| **As Reported:** | | | | |
| Parts and service revenue | $ 1,848.5 | $ 1,764.3 | $ 84.2 | 5 % |
| Parts and service gross profit: | | | | |
| Customer pay | $ 576.0 | $ 532.2 | $ 43.8 | 8 % |
| Warranty | 162.7 | 136.8 | 25.9 | 19 % |
| Collision | 93.9 | 97.1 | (3.2) | (3) % |
| Wholesale parts | 57.9 | 59.3 | (1.4) | (2) % |
| Parts and service gross profit, excluding reconditioning and preparation | $ 890.5 | $ 825.3 | $ 65.1 | 8 % |
| Parts and service gross margin, excluding reconditioning and preparation | 48.2 % | 46.8 % | 1.4 % | |
| Reconditioning and preparation * | $ 196.2 | $ 185.8 | $ 10.4 | 6 % |
| Total parts and service gross profit | $ 1,086.6 | $ 1,011.1 | $ 75.5 | 7 % |
| Total parts and service gross margin | 58.8 % | 57.3 % | 1.5 % | |
| | | | | |
| **Same Store:** | | | | |
| Parts and service revenue | $ 1,738.9 | $ 1,675.4 | $ 63.5 | 4 % |
| Parts and service gross profit: | | | | |
| Customer pay | $ 539.8 | $ 504.3 | $ 35.5 | 7 % |
| Warranty | 150.3 | 131.0 | 19.3 | 15 % |
| Collision | 91.4 | 96.1 | (4.7) | (5) % |
| Wholesale parts | 54.9 | 55.8 | (0.8) | (1) % |
| Parts and service gross profit, excluding reconditioning and preparation | $ 836.4 | $ 787.1 | $ 49.3 | 6 % |
| Parts and service gross margin, excluding reconditioning and preparation | 48.1 % | 47.0 % | 1.1 % | |
| Reconditioning and preparation * | $ 187.5 | $ 176.3 | $ 11.2 | 6 % |
| Total parts and service gross profit | $ 1,023.9 | $ 963.4 | $ 60.5 | 6 % |
| Total parts and service gross margin | 58.9 % | 57.5 % | 1.4 % | |

* *Reconditioning and preparation represents the gross profit earned by our parts and service departments for internal work performed is included as a reduction of parts and service cost of sales in the accompanying condensed consolidated statements of income upon the sale of the vehicle.*

The $84.2 million (5%) increase in parts and service revenue was primarily due to a $54.0 million (6%) increase in customer pay revenue and a $44.0 million (18%) increase in warranty revenue, offset by a $7.3 million (3%) decrease in collision revenue and a $6.5 million (2%) decrease in wholesale parts revenue. Same store parts and service revenue increased by $63.5 million (4%) from $1.68 billion for the nine months ended September 30, 2024 to $1.74 billion for the nine months ended September 30, 2025. The increase in same store parts and service revenue was due to a $44.4 million (5%) increase in customer

pay revenue and a $34.0 million (14%) increase in warranty revenue, offset by an $11.2 million (5%) decrease in collision revenue and a $3.6 million (1%) decrease in wholesale parts revenue. Consumers are owning a vehicle for longer periods of time due to various factors, including the higher cost of vehicles, higher interest rates, as well as the vehicle inventory constraints experienced in the automotive industry in recent years.

For the nine months ended September 30, 2025, total parts and service gross profit increased by $75.5 million (7%) to $1,086.6 million, and same store total parts and service gross profit increased by $60.5 million (6%) to $1,023.9 million when compared to the same period of the prior year. The all store and same store gross profit increases are primarily a result of increased customer pay and warranty volume and reconditioning and preparation, which is in line with the increasing trend of aged vehicles; however these increases were offset by decreases in body shop and wholesale parts activity.

*Finance and Insurance, net—*

| | For the Nine Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions, except for per vehicle data) | | | |
| **As Reported:** | | | | |
| Finance and insurance, net revenue | $ 569.3 | $ 567.5 | $ 1.8 | — % |
| Finance and insurance, net gross profit | $ 529.2 | $ 527.0 | $ 2.2 | — % |
| Finance and insurance, net per vehicle sold | $ 2,174 | $ 2,184 | $ (9) | — % |
| | | | | |
| **Same Store:** | | | | |
| Finance and insurance, net revenue | $ 541.6 | $ 546.6 | $ (4.9) | (1) % |
| Finance and insurance, net gross profit | $ 501.5 | $ 506.0 | $ (4.6) | (1) % |
| Finance and insurance, net per vehicle sold | $ 2,185 | $ 2,221 | $ (36) | (2) % |

F&I revenue, net increased $1.8 million during the nine months ended September 30, 2025 when compared to the nine months ended September 30, 2024, primarily due to a 1% increase in total retail units sold.

On a same store basis, F&I revenue, net decreased by $4.9 million during the nine months ended September 30, 2025 when compared to the nine months ended September 30, 2024 primarily as a result of a $36 decrease in F&I per vehicle retailed. We are seeing slightly lower gross profit in our F&I products as customers look for ways to manage lower monthly payments in a higher interest rate environment.

The financial results of the TCA segment, after dealership eliminations, are as follows:

| | For the Nine Months Ended September 30, | | Increase (Decrease) | % Change |
|---|---|---|---|---|
| | 2025 | 2024 | | |
| | (Dollars in millions) | | | |
| Finance and insurance, revenue | $ 70.3 | $ 89.2 | $ (18.9) | (21) % |
| Finance and insurance, cost of sales | $ 40.1 | $ 40.5 | $ (0.4) | (1) % |
| Finance and insurance, gross profit | $ 30.1 | $ 48.7 | $ (18.5) | (38) % |

TCA offers a variety of F&I products, such as extended vehicle service contracts, prepaid maintenance contracts, GAP, appearance protection contracts and lease wear-and-tear contracts. TCA's products are sold through our automobile dealerships.

Revenue generated by TCA is earned over the period of the related product contract. The method for recognizing revenue is assigned based on contract type and expected claim patterns. Premium revenues are supplemented with investment gains or losses and income earned associated with the performance of TCA's investment portfolio. During the nine months ended September 30, 2025, TCA generated $70.3 million of revenue, consisting primarily of earned premiums and $15.2 million investment income from the investment portfolio. F&I revenue decreased by $18.9 million (21%) for the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024 due to the continued roll-out of TCA products across Asbury dealerships resulting in the deferral of F&I revenue over the TCA contract term as opposed to the immediate recognition of revenue associated with third-party F&I product sales.

Direct expenses incurred for the acquisition of F&I contracts on which revenue has not yet been recognized have been deferred and are amortized over the related contract period. During the nine months ended September 30, 2025, TCA recorded

$40.1 million of cost of sales consisting primarily of claims expense. Commissions expense paid by TCA to our affiliated dealerships and reflected as F&I revenue in our Dealerships segment is eliminated in the TCA segment upon consolidation.

*Selling, General, and Administrative Expense—*

| | For the Nine Months Ended September 30, | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | % of Gross Profit | 2024 | % of Gross Profit | Increase (Decrease) | % of Gross Profit Increase (Decrease) |
| | (Dollars in millions) | | | | | |
| **As Reported:** | | | | | | |
| Personnel costs | $ 954.1 | 41.9 % | $ 926.4 | 42.1 % | $ 27.8 | (0.3) % |
| Rent and related expenses | 89.5 | 3.9 % | 103.3 | 4.7 % | (13.8) | (0.8) % |
| Advertising | 51.1 | 2.2 % | 47.8 | 2.2 % | 3.3 | 0.1 % |
| Other | 364.2 | 16.0 % | 334.2 | 15.2 % | 30.0 | 0.8 % |
| Selling, general, and administrative expense | $ 1,458.9 | 64.0 % | $ 1,411.6 | 64.2 % | $ 47.3 | (0.2) % |
| Gross profit | $ 2,278.6 | | $ 2,198.8 | | | |
| **Same Store:** | | | | | | |
| Personnel costs | $ 893.1 | 41.7 % | $ 879.8 | 41.9 % | $ 13.3 | (0.1) % |
| Rent and related expenses | 80.7 | 3.8 % | 98.7 | 4.7 % | (18.0) | (0.9) % |
| Advertising | 44.9 | 2.1 % | 43.3 | 2.1 % | 1.7 | — % |
| Other | 334.1 | 15.6 % | 317.4 | 15.1 % | 16.6 | 0.5 % |
| Selling, general, and administrative expense | $ 1,352.8 | 63.2 % | $ 1,339.2 | 63.7 % | $ 13.6 | (0.5) % |
| Gross profit | $ 2,140.4 | | $ 2,101.9 | | | |

SG&A expense as a percentage of gross profit decreased 18 basis points from 64.2% for the nine months ended September 30, 2024 to 64.0% for the nine months ended September 30, 2025, while same store SG&A expense as a percentage of gross profit decreased 51 basis points to 63.2% over the same period. The decrease in SG&A as a percentage of gross profit on a total company and same store basis during the nine months ended September 30, 2025 is primarily the result of higher gross profits when compared to the nine months ended September 30, 2024.

On a total company basis, SG&A expense increased by $47.3 million for the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024, primarily due to an increase of $27.8 million in personnel costs driven by the Herb Chambers acquisition and in other expenses of $30.0 million due to transaction costs of $14.7 million incurred in connection with the Herb Chambers acquisition, offset by a decrease in rent and related expenses of $13.8 million (inclusive of $15.0 million in insurance recoveries in the period).

*Asset Impairments—*

During the nine months ended September 30, 2025, we recognized asset impairment charges of $26.0 million as compared to $135.4 million of asset impairment charges during the nine months ended September 30, 2024. For the nine months ended September 30, 2025, asset impairment charges were recorded related to five dealerships that met the criteria to be reflected as assets held for sale in March 2025 and one that met the criteria in October 2025 whose franchise rights carrying values exceeded the Company's estimate of the franchise rights fair value less costs to sell. For the nine months ended September 30, 2024, the asset impairments resulted from our interim franchise rights impairment tests for certain underperforming stores, limited primarily to one brand.

*Floor Plan Interest Expense—*

Floor plan interest expense decreased by $0.6 million (1%) to $65.6 million during the nine months ended September 30, 2025 compared to $66.1 million during the nine months ended September 30, 2024 primarily due to lower interest rates and higher cash balances held in the floor plan offset account during the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024. The decrease was offset by an increase in the unused credit facility fees of $1.2 million.

*Other Interest Expense—*

Other interest expense, net increased $0.2 million from $134.9 million during the nine months ended September 30, 2024 to $135.0 million during the nine months ended September 30, 2025. This increase was primarily due to the $7.1 million increase in our mortgage interest expense due to borrowings incurred in connection with the Herb Chambers acquisition. This increase was offset by a decrease of $4.4 million in our credit facility interest expense driven by lower balances outstanding and lower interest rates applicable during the nine months ended September 30, 2025 as compared to the same period in the prior year.

*Gain on Dealership Divestitures, net—*

During the nine months ended September 30, 2025, we sold two Toyota franchises (two dealership locations) in San Diego, California, and Los Angeles, California, one Nissan franchise (one dealership location) and one Chrysler Jeep Dodge Ram franchise (one dealership location) in Denver, Colorado, one Volvo franchise (one dealership location) in Greenville, South Carolina, and six franchises in Salt Lake City, Utah, comprising two Lexus franchises (two dealership locations), one Chevrolet franchise (one dealership location), two Chrysler Jeep Dodge Ram franchises (two dealership locations) and one Ford franchise (one dealership location). The Company recorded a pre-tax gain totaling $45.8 million, which is presented in our accompanying condensed consolidated statements of income as a gain on dealership divestitures, net.

During the nine months ended September 30, 2024, we sold one Lexus franchise (one dealership location) in Wilmington, Delaware due to OEM requirements in connection with the Koons acquisition, one Nissan franchise (one dealership location) in Denver, Colorado, and one Nissan franchise (one dealership location) in Atlanta, Georgia. The Company recorded a pre-tax gain totaling $8.6 million, which is presented in our accompanying condensed consolidated statement of income as a gain on dealership divestitures, net.

*Income Tax Expense—*

The $45.4 million (44%) increase in income tax expense was primarily the result of a $175.8 million (44%) increase in income before income taxes. For the nine months ended September 30, 2025, our effective income tax rate was 25.5% compared to 25.3% in the comparative period, respectively, which differed from the U.S. statutory rate primarily due to the favorable effects of the windfall component of equity compensation as well as the favorable effects of amended state income tax returns, which are discrete items, and unfavorable effects of various permanent tax adjustments such as executive compensation. We estimate our effective tax rate for the year ended December 31, 2025 at 25.5%. This estimated effective tax rate includes the effects of the deferred tax impact related to an increase in our estimated future state effective tax rate due to the acquisition of the Herb Chambers Dealerships.

**LIQUIDITY AND CAPITAL RESOURCES**

As of September 30, 2025, we had total available liquidity of $686.9 million, which consisted of cash and cash equivalents of $21.2 million (excluding $11.0 million held by TCA), available funds in our floor plan offset accounts of $108.7 million, $548.7 million of availability under our revolving credit facility and $8.3 million of availability under our used vehicle floor plan facility. The borrowing capacities under our revolving credit facility and our used vehicle revolving floor plan facility are limited by borrowing base calculations and, from time to time, may be further limited by our required compliance with certain financial covenants. As of September 30, 2025, these financial covenants did not further limit our availability under our other credit facilities.

We continually evaluate our liquidity and capital resources based upon (i) our cash and cash equivalents on hand, (ii) the funds that we expect to generate through future operations, (iii) current and expected borrowing availability under our 2023 Senior Credit Facility, (iv) amounts in our new vehicle floor plan notes payable offset accounts, and (v) the potential impact of our capital allocation strategy and any contemplated or pending future transactions, including, but not limited to, financings, acquisitions, dispositions, equity and/or debt repurchases, dividends, or other capital expenditures. We believe we will have sufficient liquidity to meet our debt service and working capital requirements; commitments and contingencies; debt repayment, maturity and repurchase obligations; acquisitions; capital expenditures; and any operating requirements for at least the next twelve months and the foreseeable future.

*Covenants*

We are subject to a number of customary operating and other restrictive covenants in our various debt and lease agreements. We were in compliance with all of our covenants as of September 30, 2025.

*Share Repurchases and Dividend Restrictions*

Our ability to repurchase shares or pay dividends on our common stock is subject to our compliance with the covenants and restrictions in our various debt and lease agreements.

On May 15, 2024, the Company announced that its Board of Directors approved an increase of $256.2 million in the Company's common share repurchase authorization to $400.0 million (the "New Share Repurchase Authorization"). As of September 30, 2025, the Company had $225.9 million remaining on its share repurchase authorization. The extent that the Company repurchases its shares, the number of shares and the timing of any repurchases will depend on general market conditions, legal requirements and other corporate considerations. The repurchase program may be modified, suspended or terminated at any time without prior notice.

During both the three and nine months ended September 30, 2025, the Company repurchased and retired 220,587 shares of our common stock under our share repurchase program. The cash paid for these share repurchases was $50.0 million for the nine months ended September 30, 2025.

During the three and nine months ended September 30, 2024, the Company repurchased and retired 393,951 and 826,340 shares of our common stock under our share repurchase program, respectively. The cash paid for these share repurchases was $182.1 million for the nine months ended September 30, 2024.

During the three and nine months ended September 30, 2025, the Company repurchased 643 and 44,069 shares of our common stock for $0.2 million and $12.9 million, respectively, from employees in connection with a net share settlement feature of employee equity-based awards.

During the three and nine months ended September 30, 2024, the Company repurchased 1,050 and 46,711 shares of our common stock for $0.2 million and $10.1 million, respectively, from employees in connection with a net share settlement feature of employee equity-based awards.

**Cash Flows**

*Classification of Cash Flows Associated with Floor Plan Notes Payable*

Borrowings and repayments of floor plan notes payable through our 2023 Senior Credit Facility ("Non-Trade"), and all floor plan notes payable relating to used vehicles (together referred to as "Floor Plan Notes Payable—Non-Trade"), are classified as financing activities on the accompanying condensed consolidated statements of cash flows, with borrowings reflected separately from repayments. The net change in floor plan notes payable to a lender affiliated with the manufacturer from which we purchase a particular new vehicle (collectively referred to as "Floor Plan Notes Payable—Trade") is classified as an operating activity on the accompanying condensed consolidated statements of cash flows. Borrowings of non-trade floor plan notes payable associated with inventory acquired in connection with all acquisitions and repayments made in connection with all divestitures are classified as a financing activity in the accompanying condensed consolidated statements of cash flows. Cash flows related to floor plan notes payable included in operating activities differ from cash flows related to floor plan notes payable included in financing activities only to the extent that the former are payable to a lender affiliated with the manufacturer from which we purchased the related inventory, while the latter are payable to our 2023 Senior Credit Facility that includes lenders affiliated with the manufacturers and lenders not affiliated with the manufacturers from which we purchased the related inventory. The majority of our floor plan notes are payable to our 2023 Senior Credit Facility, with the exception of floor plan notes payable relating to the financing of new Ford and Lincoln vehicles and certain loaner vehicle programs.

Floor plan borrowings are required by all vehicle manufacturers for the purchase of new vehicles, and all floor plan lenders require amounts borrowed for the purchase of a vehicle to be repaid within a short time period after the related vehicle is sold. As a result, we believe that it is important to understand the relationship between the cash flows of all of our floor plan notes payable and new vehicle inventory in order to understand our working capital and operating cash flow and to be able to compare our operating cash flow to that of our competitors (i.e., if our competitors have a different mix of trade and non-trade floor plan financing as compared to us). In addition, we include all floor plan borrowings and repayments in our internal operating cash flow forecasts. As a result, we use the non-GAAP measure "Adjusted cash flow provided by operating activities" (defined below) to compare our results to forecasts. We believe that splitting the cash flows of floor plan notes payable between operating activities and financing activities, while all new vehicle inventory activity is included in operating activities, results in significantly different operating cash flow than if all the cash flows of floor plan notes payable were classified together in operating activities.

Adjusted cash flow provided by operating activities includes borrowings and repayments of floor plan notes payable non-trade and used floor plan notes payable borrowing base changes. Adjusted cash flow provided by operating activities may not be comparable to similarly titled measures of other companies and should not be considered in isolation, or as a substitute for

analysis of our operating results in accordance with GAAP. In order to compensate for these potential limitations, we also review the related GAAP measures. We believe that the adjustments related to cash flows associated with our used vehicle borrowing base, floor plan offset accounts and the impact of acquisitions and divestitures eliminates cash flow volatility and provides an adjusted operating cash flow metric that best reflects our results of operations and our management of inventory and related financing activities.

We have provided below a reconciliation of cash flow provided by operating activities, as if all changes in floor plan notes payable, except for (i) borrowings associated with acquisitions and repayments associated with divestitures and (ii) borrowings and repayments associated with the purchase of used vehicle inventory and (iii) changes in the floor plan offset accounts were classified as an operating activity for both floor plan notes payable - non-trade and floor plan notes payable - trade.

| | For the Nine Months Ended September 30, | |
|---|---|---|
| | 2025 | 2024 |
| | (In millions) | |
| *Reconciliation of cash provided by operating activities to cash provided by operating activities, as adjusted* | | |
| Cash provided by operating activities, as reported | $ 623.3 | $ 427.0 |
| Change in Floor Plan Notes Payable—Non-Trade, net | (7.5) | (70.6) |
| Change in Floor Plan Notes Payable—Non-Trade associated with floor plan offset, used vehicle borrowing base changes adjusted for acquisitions and divestitures | (15.4) | 175.9 |
| Change in Floor Plan Notes Payable—Trade associated with floor plan offset, adjusted for acquisitions and divestitures | (57.8) | (45.1) |
| Adjusted cash flow provided by operating activities | $ 542.6 | $ 487.2 |

*Operating Activities—*

Net cash provided by operating activities totaled $623.3 million and $427.0 million, for the nine months ended September 30, 2025 and 2024, respectively. Adjusted cash flow provided by operating activities totaled $542.6 million and $487.2 million, for the nine months ended September 30, 2025 and 2024, respectively. Adjusted cash flow provided by operating activities includes net income, adjustments to reconcile net income to net cash provided by operating activities, changes in working capital, changes in used vehicle borrowing base, changes in floor plan notes payable—non-trade and trade, excluding the impact of offsets, and excluding operating cash flows associated with acquisitions and divestitures related to loaner vehicles and new vehicle inventories financed through floor plan notes payable—trade.

The $55.4 million increase in adjusted cash flow provided by operating activities for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, was primarily the result of the following:

- increase of $34.2 million related to accounts payable and accrued liabilities;
- $17.9 million increase related to sales volume and the timing of collection of accounts receivable and contracts-in-transit during 2025 as compared to 2024;
- $16.0 million increase related to other long term assets and liabilities, net; and
- increase of $28.1 million in inventory, net of floor plan notes payable, including both trade and non-trade, excluding offset and including used vehicle borrowing base changes adjusted for acquisitions and divestitures.

The increase in our adjusted cash flow provided by operating activities was partially offset by:

- decrease of $25.5 million in other current assets, net; and
- decrease of $13.4 million in net income and non-cash adjustments to net income.

*Investing Activities—*

Net cash used in investing activities totaled $1.49 billion for the nine months ended September 30, 2025 compared to net cash provided by investing activities of $17.8 million for the nine months ended September 30, 2024.

Capital expenditures, excluding the purchase of real estate, were $104.4 million and $104.5 million for the nine months ended September 30, 2025 and 2024, respectively.

During the nine months ended September 30, 2024, we acquired real estate properties for $69.6 million and also purchased previously leased real estate properties for $11.9 million. We did not acquire real estate properties during the nine months ended September 30, 2025.

During the nine months ended September 30, 2025, we sold two Toyota franchises (two dealership locations) in San Diego, California, and Los Angeles, California, one Nissan franchise (one dealership location) and one Chrysler Jeep Dodge Ram franchise (one dealership location) in Denver, Colorado, one Volvo franchise (one dealership location) in Greenville, South Carolina, and six franchises in Salt Lake City, Utah, comprising two Lexus franchises (two dealership locations), one Chevrolet franchise (one dealership location), two Chrysler Jeep Dodge Ram franchises (two dealership locations) and one Ford franchise (one dealership location) for an aggregate purchase price of $452.9 million. The Company recorded a pre-tax gain totaling $45.8 million, which is presented in our accompanying condensed consolidated statements of income as a gain on dealership divestitures, net.

During the nine months ended September 30, 2024, we sold one Lexus franchise (one dealership location) in Wilmington, Delaware due to OEM requirements in connection with the Koons acquisition, one Nissan franchise (one dealership location) in Denver, Colorado, and one Nissan franchise (one dealership location) in Atlanta, Georgia for an aggregate purchase price of $196.3 million. The Company recorded a pre-tax gain totaling $8.6 million, which is presented in our accompanying condensed consolidated statement of income as a gain on dealership divestitures, net.

We purchased $153.8 million and $60.0 million of debt securities during the nine months ended September 30, 2025 and 2024, respectively.

We received proceeds of $98.0 million and $70.0 million from the sale of debt securities during the nine months ended September 30, 2025 and 2024, respectively.

During the nine months ended September 30, 2025, we did not sell any real estate. During the nine months ended September 30, 2024, we received cash proceeds of $2.2 million from the sale of real estate.

As a result of the Herb Chambers acquisition, we acquired substantially all of the assets including the real property related thereto, for a total preliminary purchase price of approximately $1.78 billion, paid in cash. The Businesses comprise 33 dealerships, 52 franchises and three collision centers. The Businesses will form part of our Dealerships segment.

We expect that capital expenditures during 2025 will total approximately $175.0 million to upgrade or replace our existing facilities, construct new facilities, expand our service capacity, and invest in technology and equipment. In addition, as part of our capital allocation strategy, we continually evaluate opportunities to purchase properties currently under lease and acquire properties in connection with future dealership relocations. No assurances can be provided that we will have or be able to access capital at times or on terms in amounts deemed necessary to execute this strategy.

*Financing Activities—*

Net cash provided by financing activities totaled $830.7 million for the nine months ended September 30, 2025 compared to net cash used in financing activities of $430.2 million for the nine months ended September 30, 2024.

During the nine months ended September 30, 2025 and 2024, we had non-trade floor plan borrowings, excluding floor plan borrowings associated with acquisitions, of $7.95 billion and $6.92 billion, respectively, and non-trade floor plan repayments, excluding floor plan repayments associated with divestitures, of $7.70 billion and $7.30 billion, respectively. We had floor plan borrowings incurred to finance the Herb Chambers acquisition of $262.7 million.

On July 21, 2025, certain subsidiaries of the Company borrowed $546.5 million (the “2025 Real Estate Facility”) under a real estate term loan credit agreement, dated as of July 21, 2025 (the “Real Estate Credit Agreement”) by and among the Company, certain of the Company’s subsidiaries that own or lease the real estate financed thereunder, as borrowers, Wells Fargo Bank, National Association, as administrative agent, and the various financial institutions parties thereto, as lenders. The

Real Estate Facility matures ten years from the initial funding date. The Company used the proceeds from these borrowings, together with other available funds, to finance the Herb Chambers acquisition.

During the nine months ended September 30, 2025 and 2024, we had non-trade floor plan repayments associated with dealership divestitures of $72.0 million and $34.1 million, respectively.

Repayments of borrowings totaled $154.8 million and $56.9 million for the nine months ended September 30, 2025 and 2024, respectively. In addition, payments of debt issuance costs related to borrowings incurred to finance the Herb Chambers acquisition totaled $5.7 million for the nine months ended September 30, 2025.

There were $1.55 billion borrowings and $1.48 billion repayments under our revolving credit facility during the nine months ended September 30, 2025. During the nine months ended September 30, 2024, there were $1.01 billion borrowings and $782.8 million repayments under our revolving credit facility.

During the nine months ended September 30, 2025, we repurchased 220,587 shares of our common stock under our share repurchase program for a total of $50.0 million and repurchased 44,069 shares of our common stock for $12.8 million from employees in connection with a net share settlement feature of employee equity-based awards. During the nine months ended September 30, 2024, we repurchased 826,340 shares of our common stock under our share repurchase program for a total of $182.1 million and repurchased 46,711 shares of our common stock for $10.1 million from employees in connection with a net share settlement feature of employee equity-based awards.

**Off Balance Sheet Arrangements**

We had no off balance sheet arrangements during any of the periods presented other than those disclosed in Note 13 "Commitments and Contingencies" of the Company's condensed consolidated financial statements.

**Guarantor Financial Information**

As of September 30, 2025, the Company had outstanding $405.0 million of 4.500% Senior Notes due 2028 and $445.0 million of 4.750% Senior Notes due 2030. The Senior Notes have been fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis, by each existing and future restricted subsidiary of the Company (the “Guarantor Subsidiaries”), with the exception of Landcar Administration Company, Landcar Agency, Inc. and Landcar Casualty Company and their respective subsidiaries (collectively, the “TCA Non-Guarantor Subsidiaries"). The 2028 Notes and the 2030 Notes were required to be registered under the Securities Act of 1933 within 270 days of the closing date for the offering of each respective series. The Company completed the registration of the 2028 Notes and 2030 Notes in October 2020.

The following tables present summarized financial information for the Company and the Guarantor Subsidiaries on a combined basis after elimination of (i) intercompany transactions and balances among Asbury and the Guarantor Subsidiaries and (ii) assets, liabilities, and equity in earnings from and investments in any non-guarantor subsidiaries.

**Summarized Balance Sheet Data of Asbury and Guarantor Subsidiaries**

| | As of | |
|---|---|---|
| | September 30, 2025 | December 31, 2024 |
| | (In millions) | |
| Current assets | $ 3,124.6 | $ 2,927.7 |
| Current assets - affiliates | $ 0.4 | $ 0.5 |
| Non-current assets | $ 7,821.7 | $ 6,576.9 |
| | | |
| Current liabilities | $ 2,769.2 | $ 2,372.4 |
| Current liabilities - affiliates | $ 34.6 | $ 26.9 |
| Non-current liabilities | $ 4,023.0 | $ 3,522.5 |

**Summarized Statement of Operations Data for Asbury and Guarantor Subsidiaries**

| | For the Nine Months Ended September 30, 2025 |
|---|---|
| | (In millions) |
| Net sales | $ 13,077.8 |
| Gross profit | $ 2,224.4 |
| Income from operations | $ 694.0 |
| Net income | $ 405.6 |

**Critical Accounting Policies and Estimates**

For a description of our critical accounting policies and estimates, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Our critical accounting policies and estimates have not changed materially during the nine months ended September 30, 2025.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

**Interest Rate Risk**

We are exposed to risk from changes in interest rates on a significant portion of our outstanding indebtedness. Based on $2.14 billion of total variable interest rate debt, which includes our floor plan notes payable, amounts drawn on our used vehicle floor plan, revolver and certain mortgage liabilities, outstanding as of September 30, 2025, a 100 basis point change in interest rates would result in a change of $21.4 million in annual interest expense.

We periodically receive floor plan assistance from certain automobile manufacturers, which is primarily accounted for as a reduction in our new vehicle inventory cost. Floor plan assistance reduced our cost of sales for the nine months ended September 30, 2025 and 2024 by $83.4 million and $70.4 million, respectively. We cannot provide assurance as to the future amount of floor plan assistance and these amounts may be negatively impacted due to future changes in interest rates.

As part of our strategy to mitigate our exposure to fluctuations in interest rates, we have various interest rate swap agreements. All of our interest rate swaps qualify for cash flow hedge accounting treatment and do not contain any ineffectiveness.

As of September 30, 2025 we had five interest rate swap agreements. These swaps are designed to provide a hedge against changes in variable rate cash flows regarding fluctuations in SOFR. The following table provides information on the attributes of each swap as of September 30, 2025:

| Inception Date | Notional Principal at Inception | Notional Value | Notional Principal at Maturity | Maturity Date |
|---|---|---|---|---|
| | (In millions) | | | |
| January 2022 | $ 300.0 | $ 247.5 | $ 228.8 | December 2026 |
| January 2022 | $ 250.0 | $ 250.0 | $ 250.0 | December 2031 |
| May 2021 | $ 184.4 | $ 153.0 | $ 110.6 | May 2031 |
| July 2020 | $ 93.5 | $ 67.1 | $ 50.6 | December 2028 |
| July 2020 | $ 85.5 | $ 58.6 | $ 57.3 | November 2025 |

These interest rate swaps are marked to market at each reporting date and any unrealized gains or losses are included in accumulated other comprehensive income and reclassified to other interest expense in the same period or periods during which the hedged transactions affect earnings. For additional information about the effect of our derivative instruments, please refer to Note 10 "Financial Instruments and Fair Value" within the accompanying condensed consolidated financial statements.

**Item 4. Controls and Procedures**

**Disclosure Controls and Procedures**

As of the end of the period covered by this report, we conducted an evaluation, under the supervision and with the participation of our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934

(the "Exchange Act"). Based on this evaluation, our principal executive officer and principal financial officer concluded that as of the end of such period such disclosure controls and procedures were not effective, solely as a result of a previously reported material weakness.

Notwithstanding the foregoing, there were no changes to previously issued financial statements and management did not identify any misstatements in our financial statements as a result of this material weakness. Our principal executive officer and principal financial officer believe that the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial condition, results of operations and cash flows as of and for the periods presented in accordance with United States Generally Accepted Accounting Principles ("US GAAP").

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The material weakness is due to control deficiencies in information technology general controls ("ITGCs") identified at the Jim Koons Dealerships ("Koons") that we acquired in December 2023. Specifically, the material weakness is due to insufficient control activities at a third-party software vendor for the Dealer Management System ("DMS") utilized by Koons. The third-party software vendor who supports the DMS on behalf of Koons does not have a Service Organization Control ("SOC") report that covers the DMS utilized by Koons. The ineffective ITGCs limited the level of assurance over the completeness and accuracy of information derived from the affected IT application used in automated and manual business process controls at Koons. Refer to Item 9A in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 for more information.

As previously described in Item 9A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, management is in the process of implementing its remediation plan. Our remediation efforts include the transition of Koons to another DMS in 2025. As of September 30, 2025, all of the Koons stores have been transitioned to a new DMS. We expect that the material weakness will be remediated in 2025, once the ITGCs have operated for a sufficient period for management to conclude, through testing, that the controls are designed and operating effectively.

**Changes in Internal Control Over Financial Reporting**

On July 21, 2025, we completed the Herb Chambers acquisition. The Businesses comprise 33 dealerships, 52 franchises and three collision centers. During the quarter ended September 30, 2025, we started evaluating and have begun to implement changes related to the Businesses' IT infrastructure, ITGCs and business process controls to more closely align with the standards of the Company's control environment. We plan to incorporate the Businesses operations into our internal control over financial reporting program within the time provided by the applicable rules and regulations of the U.S. Securities and Exchange Commission.

Other than with respect to the material weakness remediation efforts and the July 2025 acquisition of the Businesses described above, there were no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934) during the quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

As of the date of this filing, there have been no additional material legal proceedings or material developments in the legal proceedings disclosed in Part 1, Item 3, of our Annual Report on Form 10-K for the year ended December 31, 2024. For more information, see Note 13 "Commitments and Contingencies" within the accompanying condensed consolidated financial statements.

### Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors that affect our business and financial results that are discussed in Part I, Item 1A, of our Annual Report on Form 10-K for the year ended December 31, 2024. These factors could materially adversely affect our business, financial condition, liquidity, results of operations and capital position, and could cause our actual results to differ materially from our historical results or the results contemplated by the forward-looking statements contained in this report. There have been no material changes to such risk factors.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

Share repurchases are implemented through purchases made from time to time in either the open market or private transactions. The share repurchases could include purchases pursuant to a written trading plan in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, which allows companies to repurchase shares of stock at times when they might otherwise be prevented from doing so by securities laws or under self-imposed trading blackout periods. The extent that the Company repurchases its shares, the number of shares and the timing of any repurchases will depend on general market conditions, legal requirements and other corporate considerations. The repurchase program may be modified, suspended or terminated at any time without prior notice.

Information about the shares of our common stock that we repurchased during the quarter ended September 30, 2025 is set forth below:

| Period | Total Number of Shares (or Units) Purchased | Average Price Paid per Share (or Unit) | Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs | Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs (In millions) |
|---|---|---|---|---|
| 25 - 07/31/2025 | 64,982 | 223.56 | 64,724 | 261.4 |
| 25 - 08/31/2025 | 156,178 | 227.74 | 155,863 | 225.9 |
| 25 - 09/30/2025 | $ 70 | 245.08 | $— | 225.9 |
| | 221,230 | | 220,587 | |

On May 15, 2024, the Company announced that its Board of Directors approved an increase of $256.2 million in the Company's common share repurchase authorization to $400.0 million (the "New Share Repurchase Authorization"), for the repurchase of our common stock in open market transactions or privately negotiated transactions or in other manners as permitted by federal securities laws and other legal and contractual requirements.

The extent to which the Company repurchases its shares, the number of shares and the timing of any repurchase will depend on such factors as Asbury’s stock price, general economic and market conditions, the potential impact on its capital structure, the expected return on competing uses of capital such as strategic dealership acquisitions and capital investments and other considerations. The program does not require the Company to repurchase any specific number of shares, and may be modified, suspended or terminated at any time without further notice.

**Item 5. Other Information**

None of the Company's directors or officers adopted, modified, or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the Company's fiscal quarter ended September 30, 2025.

**Item 6. Exhibits**

| Exhibit Number | Description of Documents |
|---|---|
| 10.1 | Term Loan Agreement, dated as of July 21, 2025, by and among Asbury Automotive Group, Inc., a Delaware corporation, as the Company, each of its subsidiaries from time to time party thereto as Borrowers, each of the Lenders time to time party thereto, and Wells Fargo Bank, National Association, a national banking association, as Administrative Agent for the Lenders. |
| 31.1 | Certificate of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 31.2 | Certificate of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 32.1 | Certificate of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2 | Certificate of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101.INS | XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Cover Page Interactive Data File (formatted in iXBRL Exhibit 101) |

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Asbury Automotive Group, Inc.**

Date: October 29, 2025

By: /s/ David W. Hult
**Name:** **David W. Hult**
**Title:** **Chief Executive Officer and President**

Date: October 29, 2025

By: /s/ Michael D. Welch
**Name:** **Michael D. Welch**
**Title:** **Senior Vice President and Chief Financial Officer**