GROUP 1 AUTOMOTIVE®

2019 Third Quarter Financial Results & Overview

October 24, 2019

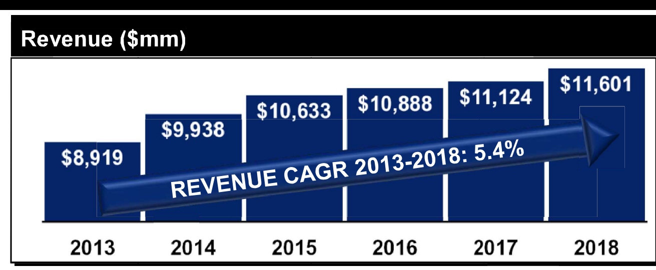
GPI LISTED NYSE

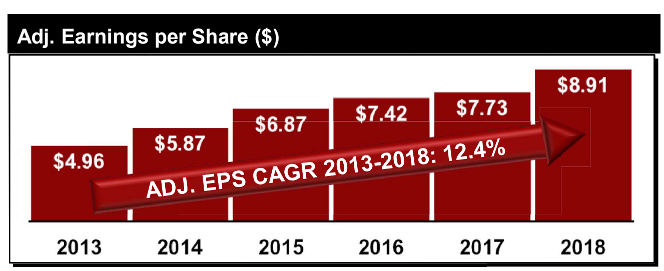
Forward Looking Statement

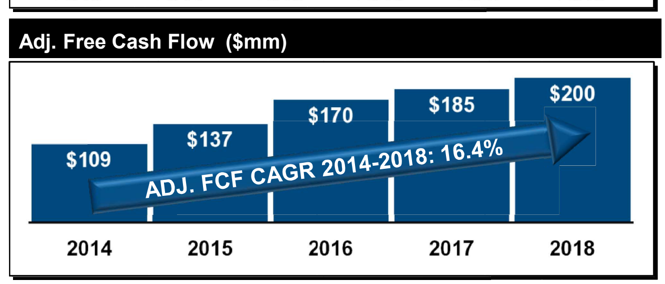
This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, which are statements related to future, not past, events and are based on our current expectations and assumptions regarding our business, the economy and other future conditions. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate. In this context, the forward-looking statements often include statements regarding our goals, plans, projections and guidance regarding our financial position, results of operations, market position, pending and potential future acquisitions and business strategy, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should," "foresee," "may" or "will" and similar expressions. Any such forward-looking statements are not assurances of future performance and involve risks and uncertainties that may cause actual results to differ materially from those set forth in the statements. These risks and uncertainties include, among other things, (a) general economic and business conditions, (b) the level of manufacturer incentives, (c) the future regulatory environment, (d) our ability to obtain an inventory of desirable new and used vehicles, (e) our relationship with our automobile manufacturers and the willingness of manufacturers to approve future acquisitions, (f) our cost of financing and the availability of credit for consumers, (g) our ability to complete acquisitions and dispositions and the risks associated therewith, (h) foreign exchange controls and currency fluctuations, and (i) our ability to retain key personnel. For additional information regarding known material factors that could cause our actual results to differ from our projected results, please see our filings with SEC, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We use non-generally accepted accounting principles ("non-GAAP") financial measures in this presentation. Our reconciliation of non-GAAP financial measures to comparable GAAP measures can be found in the Appendix to this presentation. These non-GAAP measures should not be considered an alternative to GAAP financial measures. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.

What Sets Group 1 Apart?

- International, Fortune 500 company with Market Cap of ~ $1.7 Billion (period ended September 30, 2019)
- Strong earnings and free cash flow trajectory
- Committed senior management team with +230 years of automotive retailing and OEM experience
- Unlike most other automotive retailers, Group 1 has no major controlling shareholder or owner
- Well positioned for growth



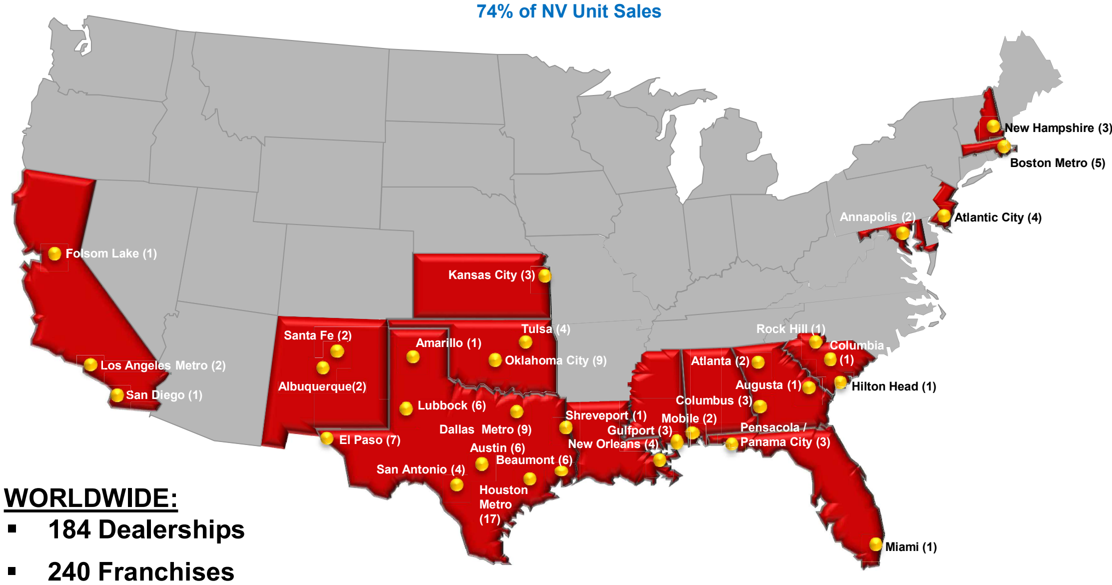




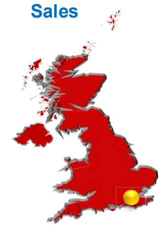
Geographic Footprint

UNITED STATES – 15 States

117 Dealerships
74% of NV Unit Sales



U.K.
England:
- 50 Dealerships
- 21% of NV Unit Sales



BRAZIL
Paraná, São Paulo, and Santa Catarina
- 17 Dealerships
- 5% of NV Unit Sales

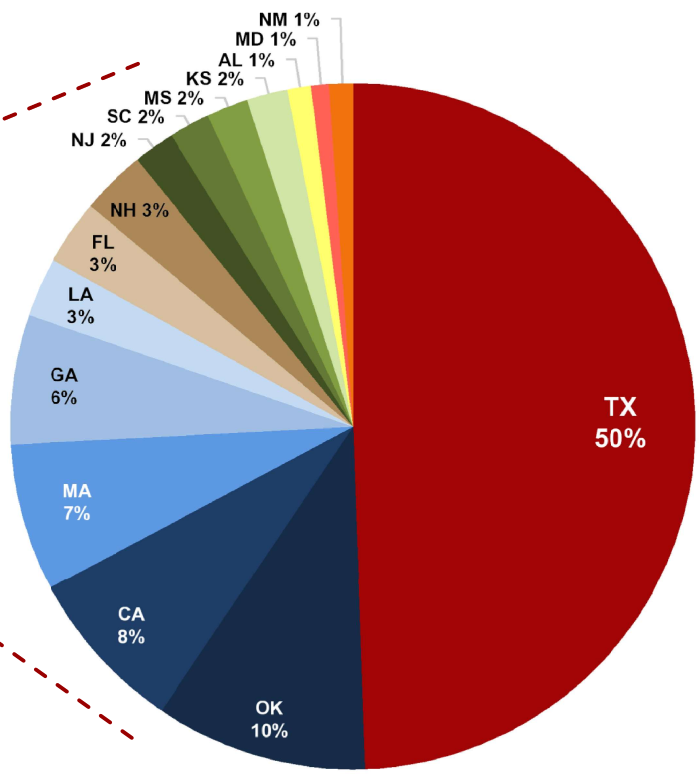
WORLDWIDE:
- 184 Dealerships
- 240 Franchises
- 49 Collision Centers
- 31 Brands

*As of October 24, 2019

Geographic Diversity

Geographic Diversity – 3Q19

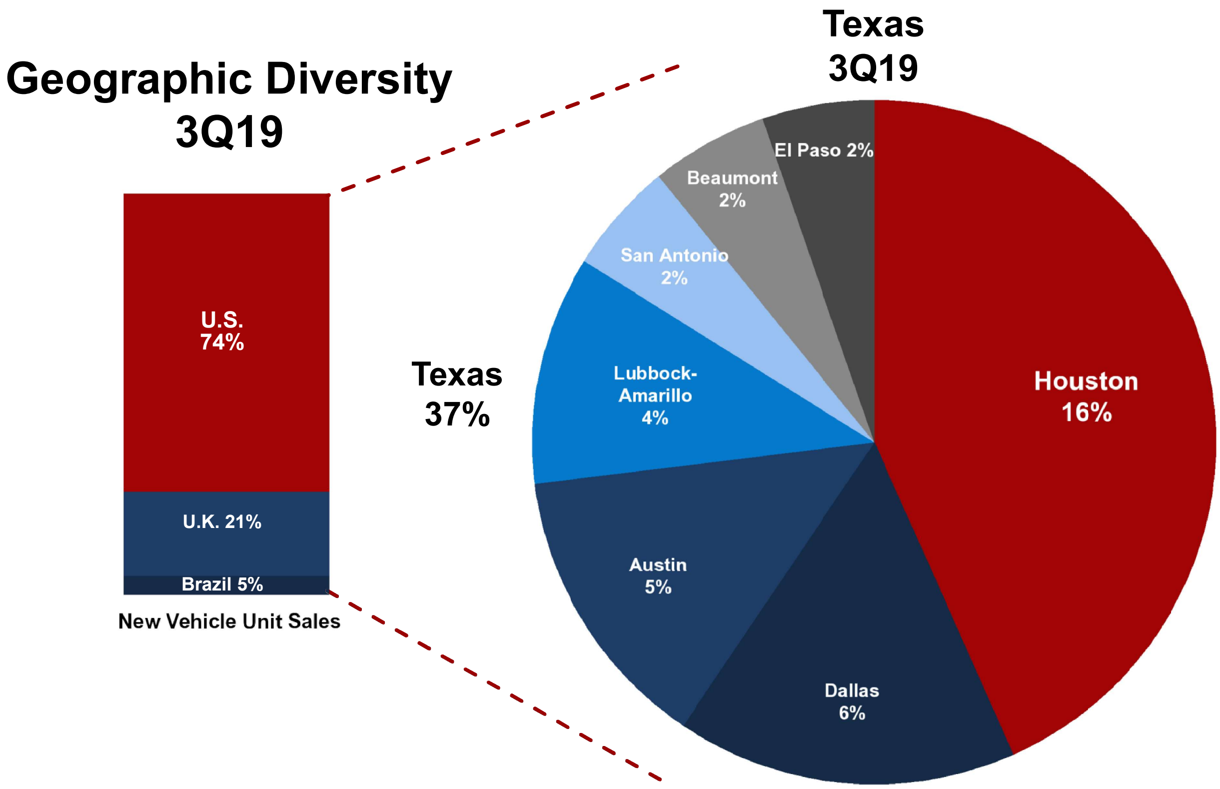
New Vehicle Unit Sales



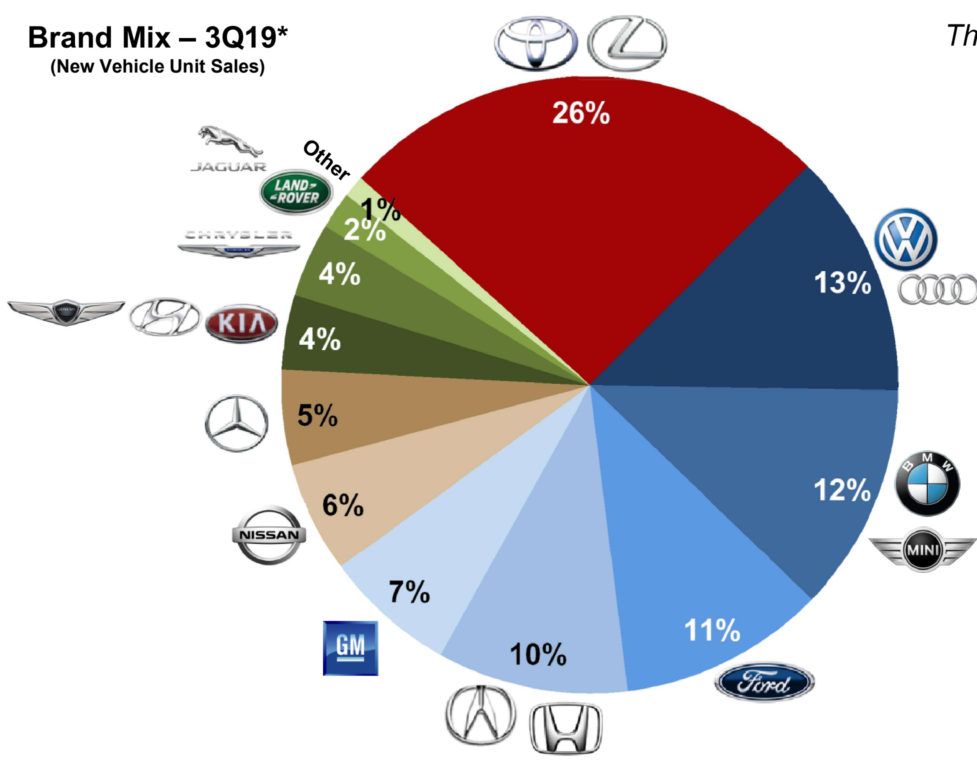
United States – 3Q19*

*May not add to 100% due to rounding.

Geographic Diversity – Texas



Well-Balanced Brand Portfolio

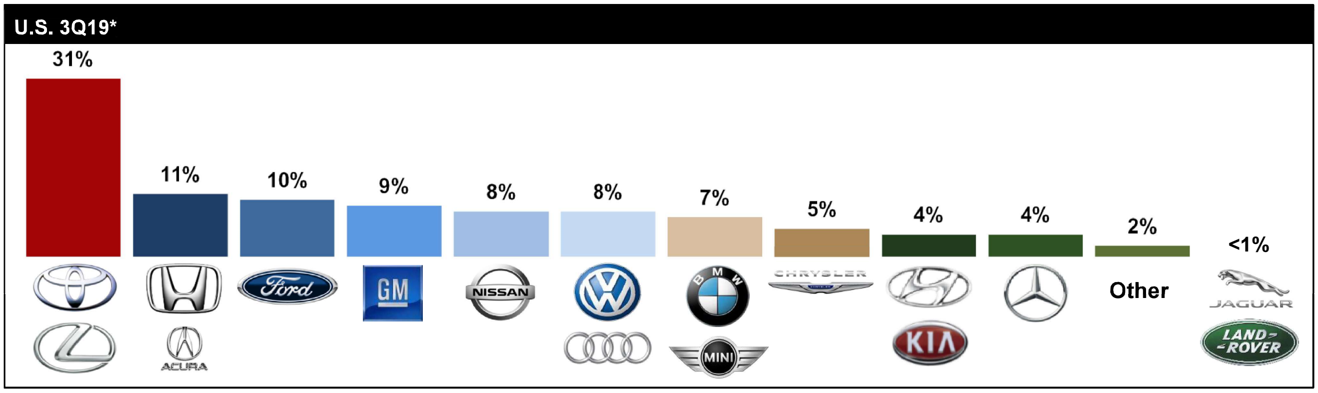


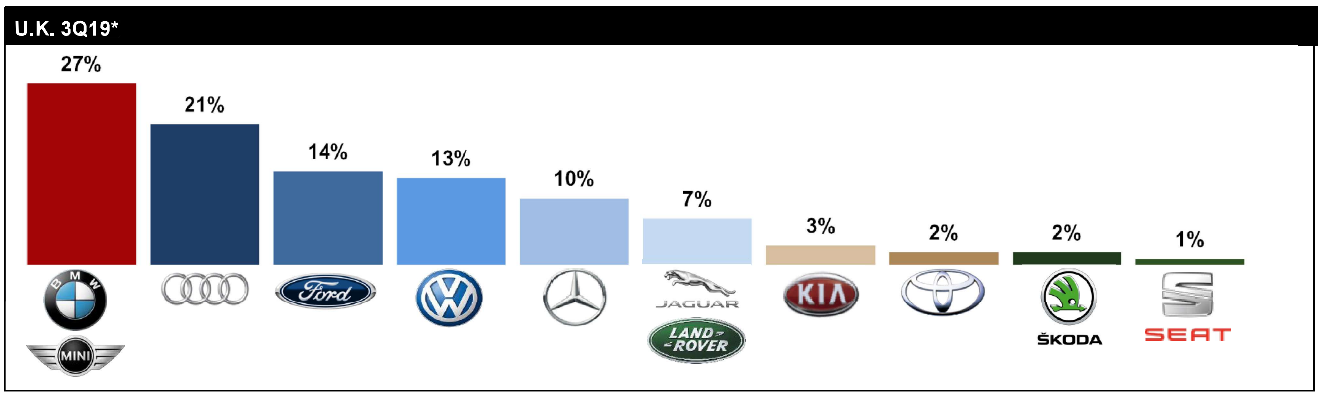
The Company's brand diversity allows it to reduce the risk of changing consumer preferences

*May not add to 100% due to rounding.

U.S. & U.K. New Vehicle Brand Mix

GP1

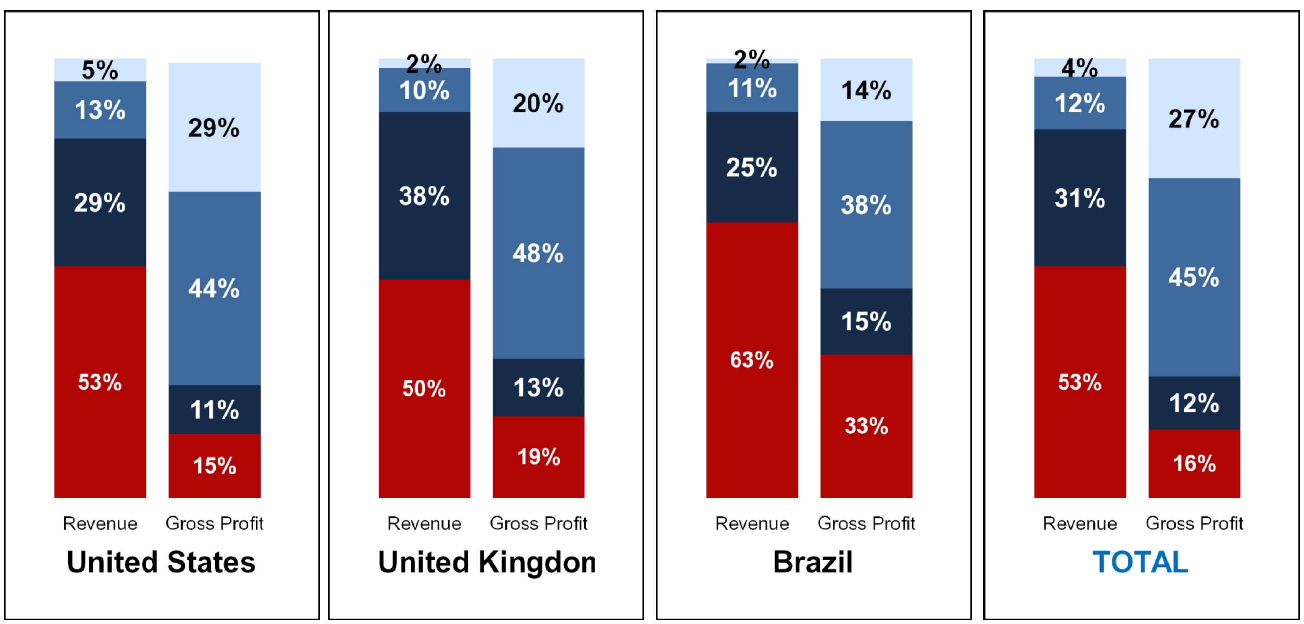




*May not add to 100% due to rounding.

Business Mix Comp – 3Q19*

GP1



- Financial & Insurance
- Parts & Service
- Used Vehicles
- New Vehicles

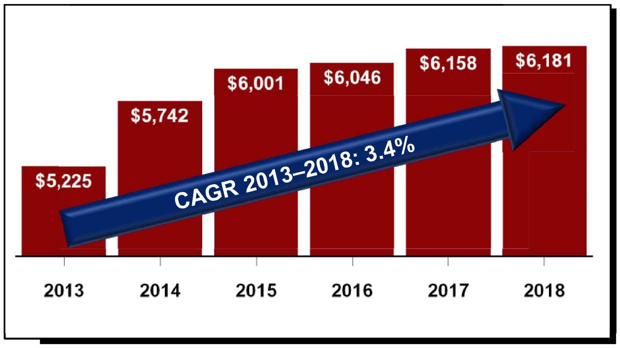
Total Company Parts & Service Gross Profit Covers 90-95% of Total Company Fixed Costs and Parts & Service Selling Expenses

*May not add to 100% due to rounding.

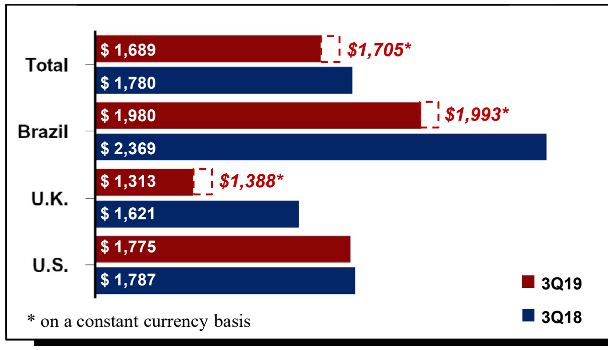
New Vehicles Overview

GP1

New Vehicle Revenue ($mm)

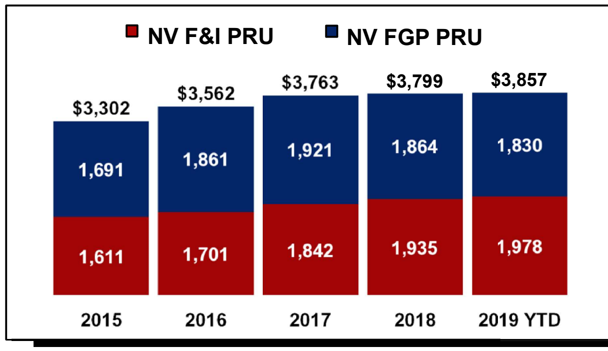


New Vehicle Gross Profit per Unit ($)



Total U.S. New Vehicle Profitability ($)

- On pace to grow U.S. total new vehicle gross profit PRU for the 5th consecutive year
- Continued focus on F&I processes and economies of scale
- Inventory stocking and volume bonus program discipline key to maintaining front gross profit PRU



U.S. SAAR

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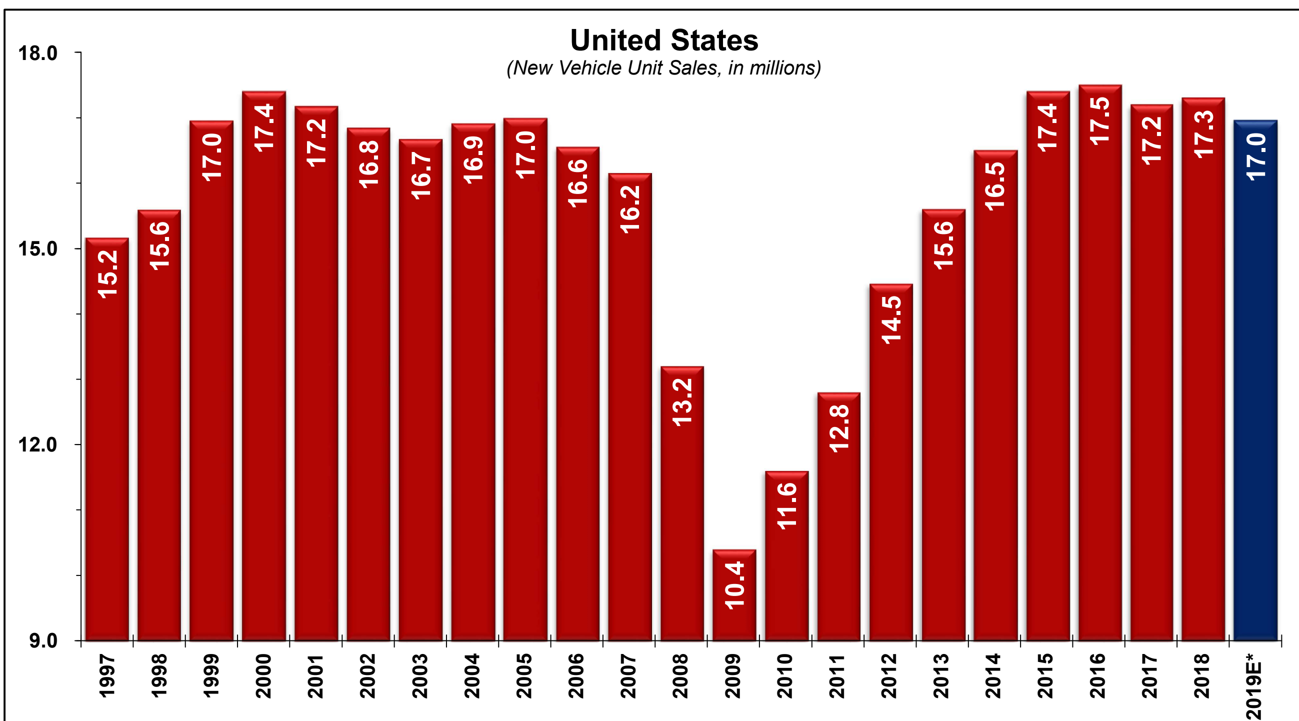

Source: LMC Automotive – U.S. New Vehicle Unit Sales Actuals
*LMC Automotive's FY19 SAAR forecast

Used Vehicle Overview

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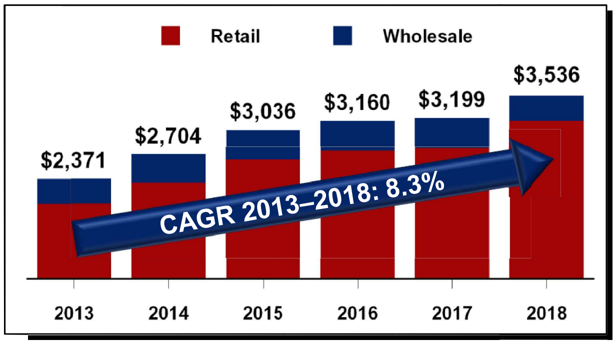
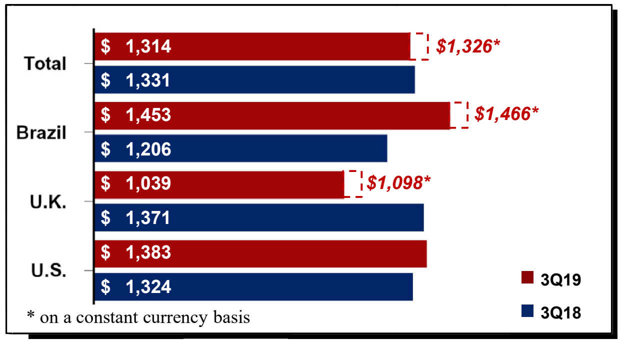
Used Vehicle Revenue ($mm)



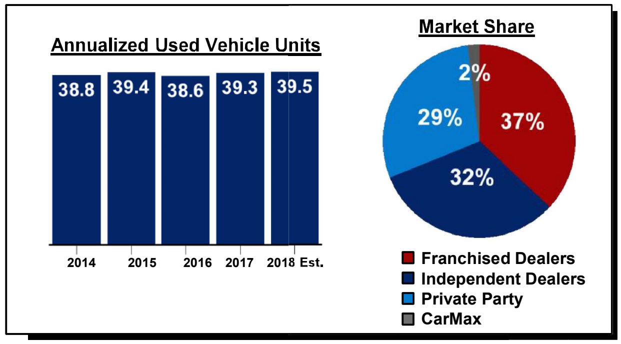
Retail Used Vehicle Gross Profit per Unit



YTD 2019 Val-u-Line Results

- 11% of retail unit sales were Val-u-Line vs a 5% historical average
- Drove > $3 million incremental gross profit
- 9% Same Store increase in used vehicle retail units; 10% decrease in wholesale units
- Shift from wholesale to retail channels drove a 13% increase in same store total used gross profit

Used Market Size (in millions)[1] & Market Share[2]



[1] Source: Cox Automotive 2018 Used Car Market Report & Outlook.
[2] Source: WardsAuto Group "U.S. Market Used Vehicle Sales" Report, 2015.

Strategic Initiatives: Online Retailing

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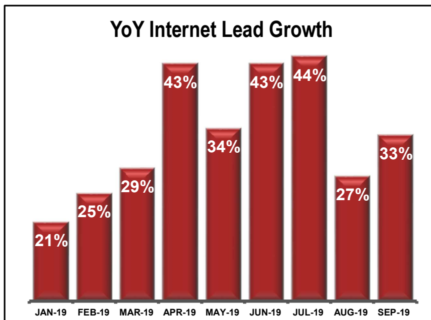

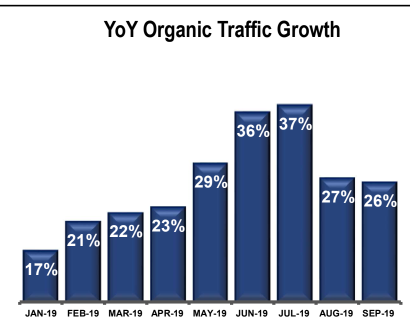

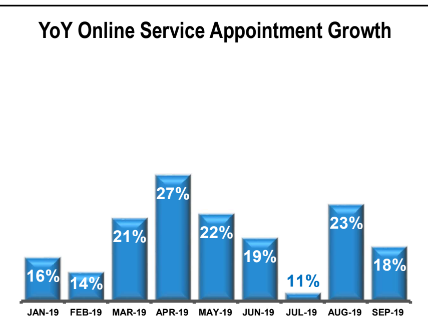

- **Online retailing initiative implemented across nearly all dealerships at the end of 3Q19**
- **Focus on increasing internet leads and organic traffic is yielding positive results**
- **Online scheduling of service appointments is being well accepted by customers – 27% of all U.S. appointments now scheduled online**
- **Increased emphasis on having industry leading ratings on Google and Facebook to become dealer of choice in terms of car buying and service experience**

Parts & Service Overview

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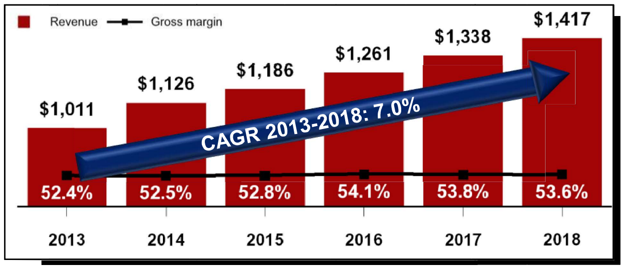
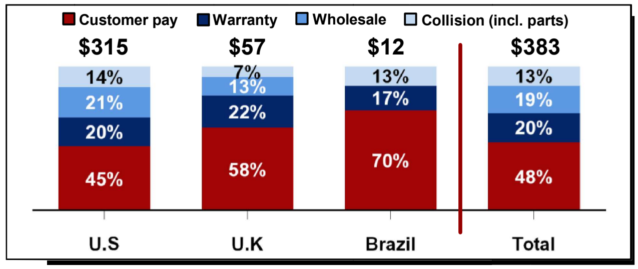
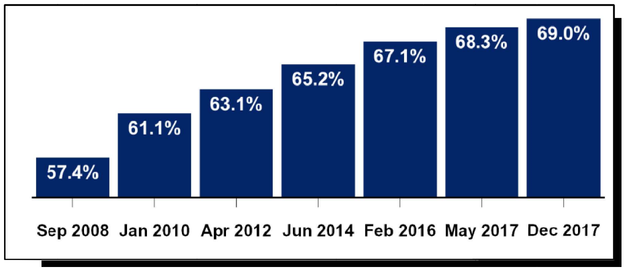
Consolidated P&S Revenue and Gross Margin ($mm)



U.S. 3Q19 P&S Revenue* ($mm)



U.S. Service Retention Trend



Consolidated Same Store Revenue Growth#

	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
Customer Pay	3.5%	6.7%	6.2%	7.1%	11.6%	11.8%
Warranty	(3.6)%	(3.0)%	0.9%	16.2%	11.3%	8.1%
Wholesale	4.5%	2.6%	5.0%	3.9%	6.3%	6.3%
Collision	2.6%	0.2%	(5.5)%	2.8%	1.6%	5.8%
% Growth	2.0%	2.9%	3.2%	7.7%	9.1%	9.1%

In constant currency, as reported

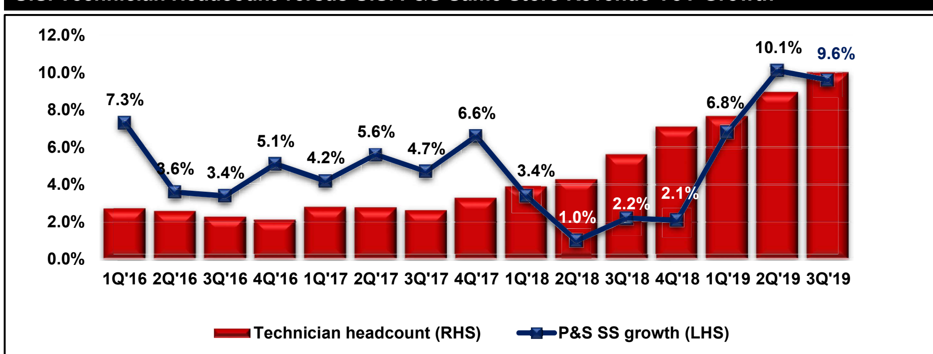
- Parts & service segment provides a stable base of free cash flow through economic cycles
- Using Customer Management Software (CMS) and technology to improve efficiencies and closing rates
- Enhancing customer touch points to improve retention / attacking points of defection
- Strategic emphasis on customer service is driving growth above sector average in this important segment
- Focused on adding human capacity through decreased employee turnover by implementing a 4 day work week for service departments
- **The Company's U.S. year-over-year same store service advisor + technician headcount has grown a total of +12% as of 9/30/2019**

*May not add to 100% due to rounding

Strategic Initiatives: Aftersales

GP1

U.S. Technician Headcount versus U.S. P&S Same Store Revenue YoY Growth



- **Adjustment of service personnel compensation structure as follows to address employee turnover, customer satisfaction, and to add capacity via expanded hours:**
  - Increase to fixed component of service advisor pay
  - Creation of well-defined career path for advancement
  - Launch of new, flexible work schedule featuring substantially more days off over the calendar year
  - Implementation of an in-house Service Advisor University dedicated to training the Company's approximately 1,000 U.S. customer service personnel
  - Implementation of an in-house Service Manager University
- **A four-day, flexible work schedule has been implemented across 72 U.S. stores as of 9/30/2019**
- **5 additional stores are scheduled for implementation in 4Q19; 85% of service revenues will be covered after completion**
- **Employee hiring and retention rates have improved considerably**

New Technology Business Impact

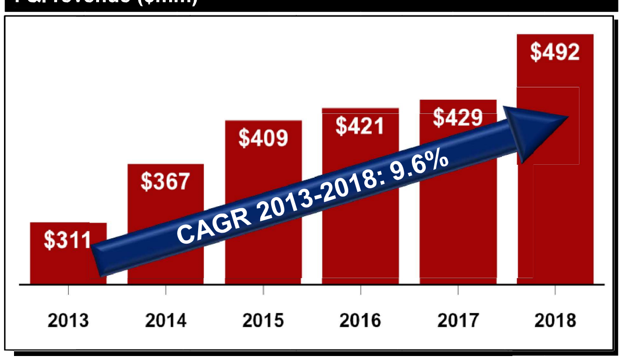
What do those changes mean to our service departments?

- According to Edmunds.com, the 5-year maintenance cost of a 2017 Nissan Leaf is $2,865; and the 5-year maintenance cost of a 2017 Toyota Camry is $3,094, an immaterial difference.
- While we do not expect repair costs to materially change, over the next three generations, we expect that the components of a repair will shift. Batteries, battery coolant, power units, electrically operated engine components and accessories will gradually replace the repairs currently made to ICE vehicles.
- As vehicle complexity continues to increase, it becomes more difficult for do-it-yourself (“DIY”) and independent service shops to compete against us.
- Group 1's analysis suggests that we generate more revenue per repair order for vehicles with alternative powertrains.
- Group 1's retention rate is also higher for customers with Plug-in Hybrid Electric Vehicles ("PHEV") & Hybrid Electric Vehicles ("HEV") versus traditional Internal Combustion Engines ("ICE").

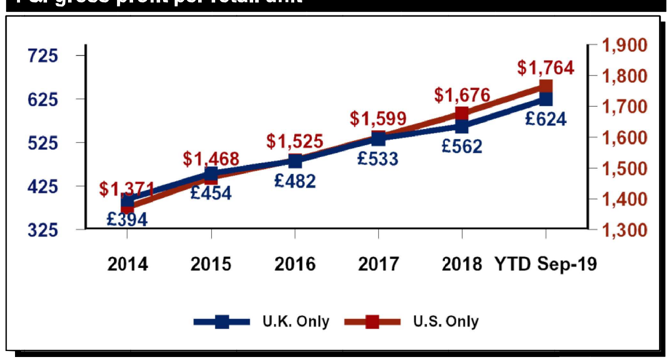
	$Per Repair Order (Model Year)					Retention		
	2013	2014	2015	2016	2017	2015	2016	2017
EV vs. ICE	-4%	+19%	+16%	+2%	+15%	+9%	+15%	+10%

Finance & Insurance Overview

F&I revenue ($mm)



F&I gross profit per retail unit



F&I profitability growth accomplished via focus on people and processes:

- Consolidation of lender base
- Consumer financing at pre-recession levels and full credit spectrum available
- Integration of compliance, training and benchmarking to offer a consistent and transparent experience for internal and external customers
- Val-u-Line impacting PRU, but delivering incremental gross profit dollars

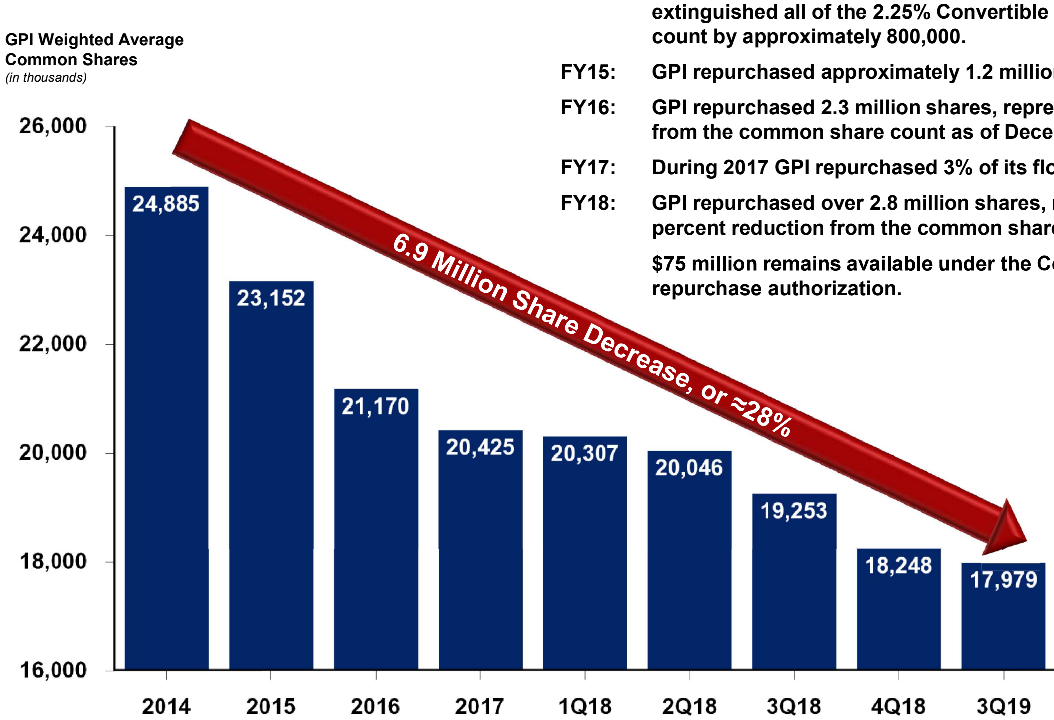
F&I gross penetration ($)

F&I Penetration Rates & PRU

					YTD Sep-19			
	2015	2016	2017	2018	Total	US	UK	Brazil
Finance	67%	67%	67%	65%	65%	72%	48%	40%
VSC	34%	32%	32%	32%	32%	42%	4%	—%
GAP	24%	27%	28%	29%	29%	29%	35%	—%
Maintenance	9%	10%	11%	12%	10%	14%	—%	—%
Sealant	18%	21%	22%	24%	28%	28%	31%	—%
Gross Profit PRU	$1,324	$1,368	$1,397	$1,442	$1,500	$1,764	$797	$549

Share Repurchase Summary

GP1



FY14: In 2Q14, GPI repurchased 80% of its 3% Convertible Notes, reducing share count by approximately 1.9 million. In 3Q14, GPI repurchased the remaining 3% Convertible Notes and extinguished all of the 2.25% Convertible Notes, reducing share count by approximately 800,000.

FY15: GPI repurchased approximately 1.2 million shares.

FY16: GPI repurchased 2.3 million shares, representing a 10% reduction from the common share count as of December 31, 2015.

FY17: During 2017 GPI repurchased 3% of its float.

FY18: GPI repurchased over 2.8 million shares, representing a 14 percent reduction from the common share count as of 12/31/17.

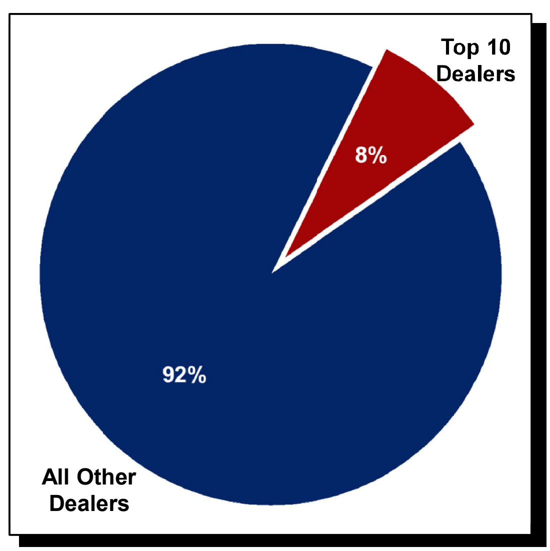
$75 million remains available under the Company's share repurchase authorization.

External Growth Opportunities

GP1

- **Plentiful acquisition opportunities**
  - Aging franchise ownership looking for exit strategy in U.S. and Brazil
- **Very large and extremely fragmented market in U.S.**
  - $1 trillion market(1)
  - Top 10 groups represent approximately 8% of the market(2)
- **Growing market in Brazil**
  - Opportunity for open points

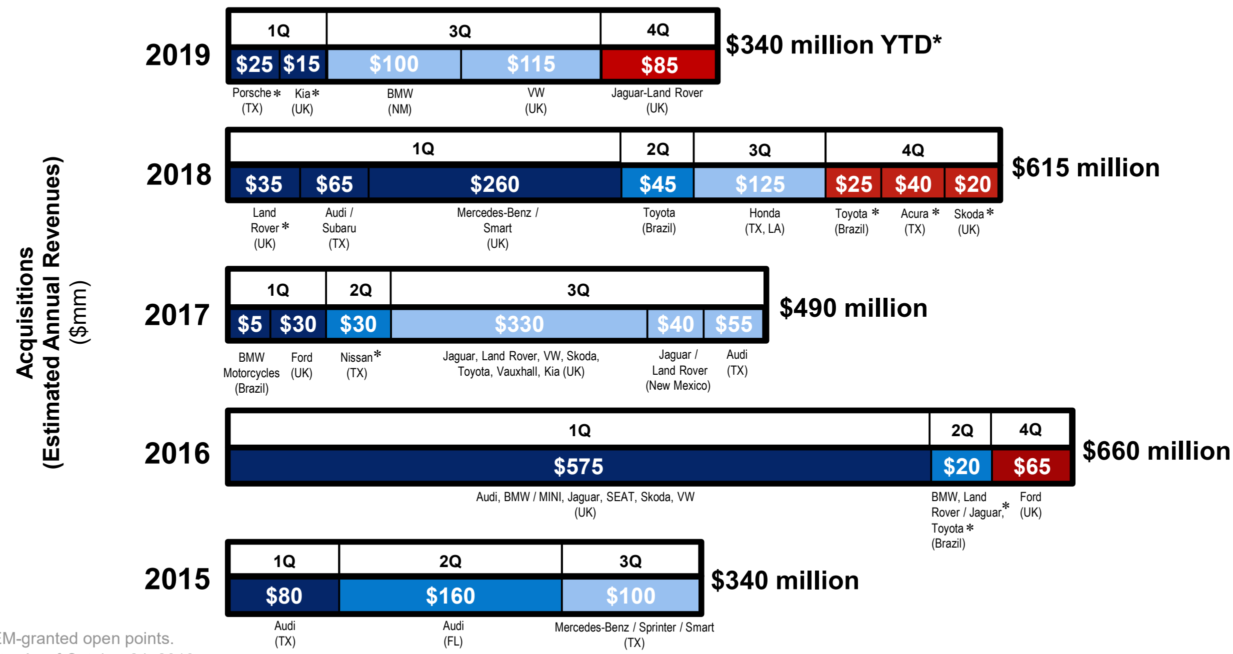
U.S. New Vehicle Unit Sales(2)



(1) Source: CNW Marketing Research
(2) Source: Based on Automotive News data

Acquisition Strategy

- **Group 1 is well positioned to take advantage of acquisition opportunities and grow scale in existing markets (U.S., U.K., and Brazil)**
- **The Company targets acquisitions that clear return hurdles (10% after-tax discounted cash flow)**



*OEM-granted open points.
Note: As of October 24, 2019.

Conclusion

Why GPI?

GPI

- **Well-balanced portfolio (geography, business mix and brands)**
- **Profitability of different business units through the cycle**
  - ➢ **Model proved itself during recession**
  - ➢ **2019 results have demonstrated ability to grow earnings in a stagnate / declining new vehicle sales environment**
- **Streamlined business -- generating cash**
- **Strong balance sheet**
- **Increased focus on shareholder-value enhancing capital allocation strategy**
- **Operational growth and leverage**
  - ➢ **Opportunity to drive growth in used vehicle and Parts & Service with process improvements in all markets**
  - ➢ **New Strategic initiatives launched in the U.S. aimed at growing used vehicles and increasing aftersales capacity**
  - ➢ **Finance & Insurance initiatives should drive further growth in the U.K. and Brazil**
  - ➢ **Continued leverage opportunities as gross profit increases**
- **Experienced, successful and driven management team**

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CORE VALUES

Integrity	**We conduct ourselves with the highest level of ethics both personally and professionally when we sell to and perform service for our customers without compromising our honesty.**
Transparency	**We promote open and honest communication between each other and our customers.**
Professionalism	**We set our standards high so that we can exceed expectations and strive for perfection in everything we do.**
Teamwork	**We put the interest of the group first, before our individual interests, as we know that success only comes when we work together.**

GROUP 1 AUTOMOTIVE®

Appendix

Operating Management Team - Corporate

Earl J. Hesterberg – President and Chief Executive Officer and Director
(April 2005)
- 35+ Years Industry Experience
- Manufacturer and Automotive Retailing Experience: Ford Motor Company; Ford of Europe; Gulf States Toyota; Nissan Motor Corporation in U.S.A.; Nissan Europe

Daryl Kenningham – President, U.S. Operations
(July 2011)
- 35+ Years Industry Experience
- Manufacturer and Automotive Retailing Experience: Ascent Automotive; Gulf States Toyota; Nissan Motor Corporation in U.S.A. and Japan

John C. Rickel – Senior Vice President and Chief Financial Officer
(December 2005)
- 30+ Years Industry Experience
- Manufacturer and Automotive Retailing Experience: Ford Motor Company; Ford Europe

Frank Grese Jr. – Senior Vice President, Human Resources, Training and Operations Support
(December 2004)
- 40+ Years Industry Experience
- Manufacturer and Automotive Retailing Experience: Ford Motor Company; Nissan Motor Corporation in U.S.A.; AutoNation; Van Tuyl

Darryl M. Burman – Senior Vice President and General Counsel
(December 2006)
- 20+ Years Industry Experience
- Automotive-related Experience: Mergers and Acquisitions; Corporate Finance; Employment and Securities Law – Epstein Becker Green Wickliff & Hall, P.C.; Fant & Burman, L.L.P.

Peter C. DeLongchamps – Senior Vice President, Financial Services and Manufacturer Relations
(July 2004)
- 30+ Years Industry Experience
- Manufacturer and Automotive Retailing Experience: General Motors Corporation; BMW of North America; Advantage BMW in Houston

Michael Jones – Senior Vice President, Aftersales
(April 2007)
- 40+ Years Industry Experience
- Automotive-related Experience: Fixed Operations - Asbury Automotive; David McDavid Automotive Group; Ryan Automotive Group

Profitable Throughout Downturn

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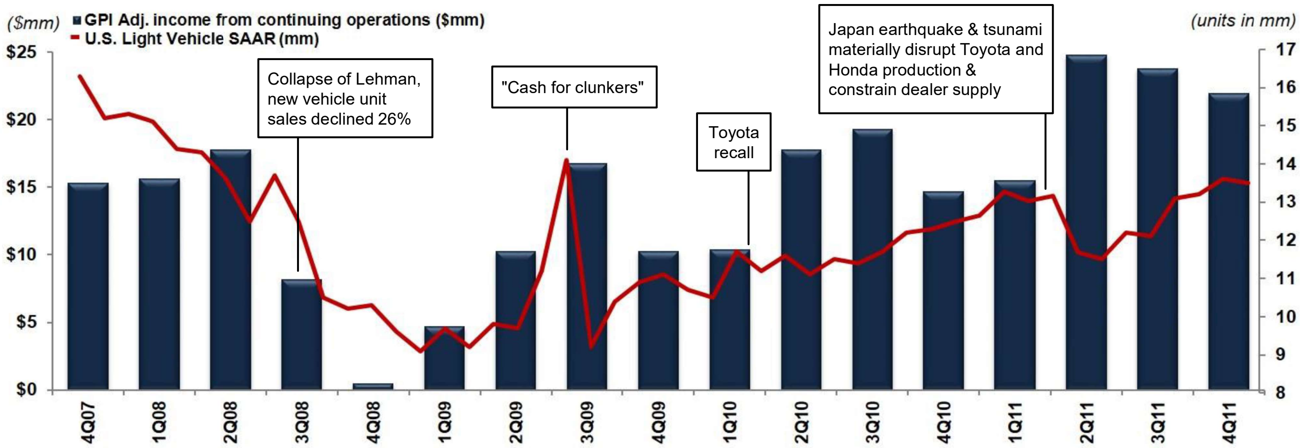


($mm)	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11
Quarterly Revenue	$ 1,134	$ 1,020	$ 1,109	$ 1,247	$ 1,150	$ 1,191	$ 1,419	$ 1,462	$ 1,438	$ 1,409	$ 1,474	$ 1,570	$ 1,626
Quarterly Adjusted EBITDA*	$ 16	$ 21	$ 31	$ 42	$ 29	$ 31	$ 41	$ 45	$ 37	$ 39	$ 55	$ 54	$ 51
Quarterly Adjusted EBIT*	$ 10	$ 15	$ 24	$ 35	$ 23	$ 24	$ 34	$ 38	$ 31	$ 33	$ 48	$ 47	$ 44
Quarterly Adjusted Net Income*	**$ 1**	**$ 5**	**$ 10**	**$ 17**	**$ 10**	**$ 10**	**$ 18**	**$ 19**	**$ 15**	**$ 16**	**$ 25**	**$ 24**	**$ 22**
LTM Adjusted EBITDAR*	$ 183	$ 163	$ 149	$ 162	$ 174	$ 183	$ 194	$ 196	$ 205	$ 213	$ 225	$ 233	$ 247

[1]Total debt + 8x rent expense.
*See appendix for reconciliations.

U.K. Locations

GP1

UNITED KINGDOM – England
50 Dealerships (67 Franchises)

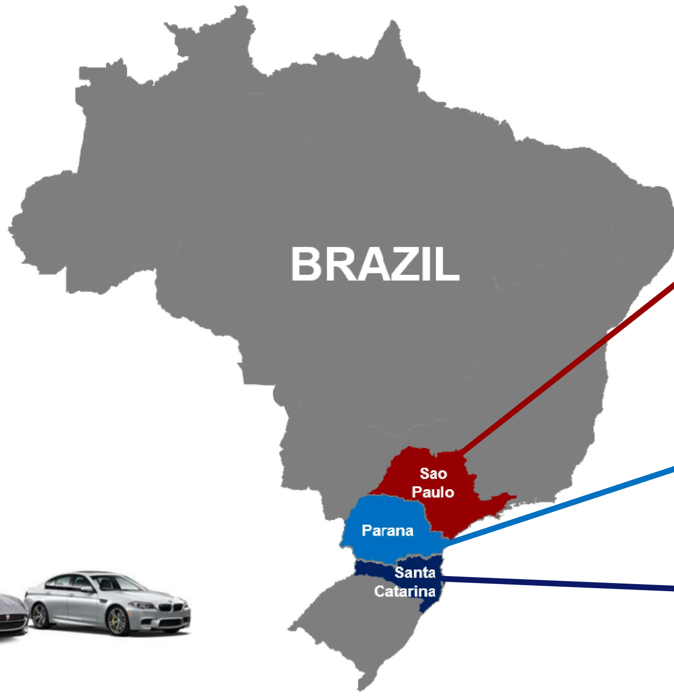
*As of October 24, 2019

Brazil Locations

GP1

Group 1 is aligned with growing brands in Brazil.

- **17 Dealerships (22 Franchises):**
  - BMW (5)
  - Toyota (5)
  - Honda (4)
  - Jaguar (3)
  - Land Rover (3)
  - MINI (2)



São Paulo Locations
① Santo Andre
① São Bernardo do Campo
① São Caetano do Sul
① São Jose dos Campos
① São Paulo
① Taubaté

Paraná Locations
①Cascavel
①Curitiba
①Londrina
①Maringá

Santa Catarina Location
① Joinville

*As of October 24, 2019

Trade-In Tax Impact

GP1

- **The amount of tax due on a vehicle purchase depends on:**
  - Price (cash or financed amount) of the car to be purchased*
  - Value of a trade-in vehicle, if applicable
  - State's sales tax policies
- **In the United Sates, 40 states feature a tax credit on the value of a trade-in vehicle, which applies to 12 of the 15 states in which the Company operates.**
- ***Example of "with versus without trade-in" impact on vehicle purchase cost:***

VEHICLE PURCHASE EXAMPLE:	WITH TRADE-IN	WITHOUT TRADE-IN
Sales Price	$ 40,000.00	$ 40,000.00
Trade-In Allowance	$ 25,000.00	n/a
Taxable Amount	$ 15,000.00	$ 40,000.00
Tax %	6.25%	6.25%
Tax Due	$ 937.50	$ 2,500.00
COST (Vehicle + Tax):	$ 40,937.50	$ 42,500.00
TAX IMPACT on NET DIFFERENCE of COST:	$1,562.50	

*In many states, sales tax is not applied to a lease and sales tax credits are not applied to trade-in's associated with a new car lease.

Real Estate Strategy

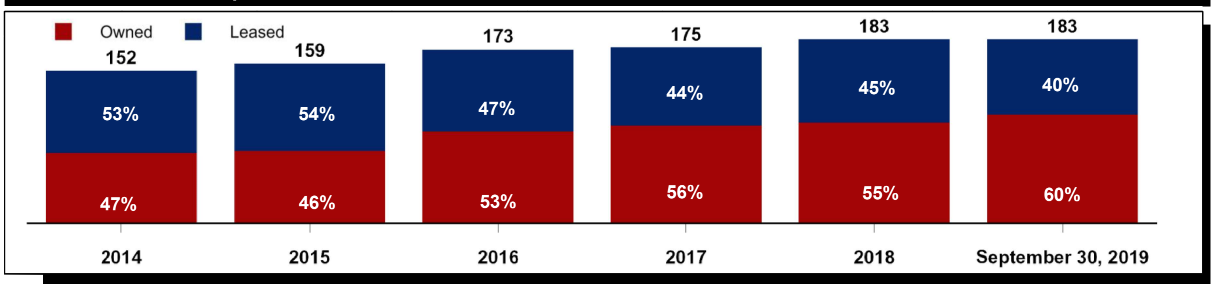
GP1

- **GPI is shifting toward owning its real estate:**
  - Control of dealership real estate is a strong strategic asset;
  - Ownership means better flexibility and lower cost; and
  - The Company looks for opportunistic real estate acquisitions in strategic locations.
- **As of September 30, 2019, the Company owns over $1.1 billion of net real estate (60% of dealership locations) financed through $382 million of mortgage debt.**

Dealership property breakdown by region (as of September 30, 2019)

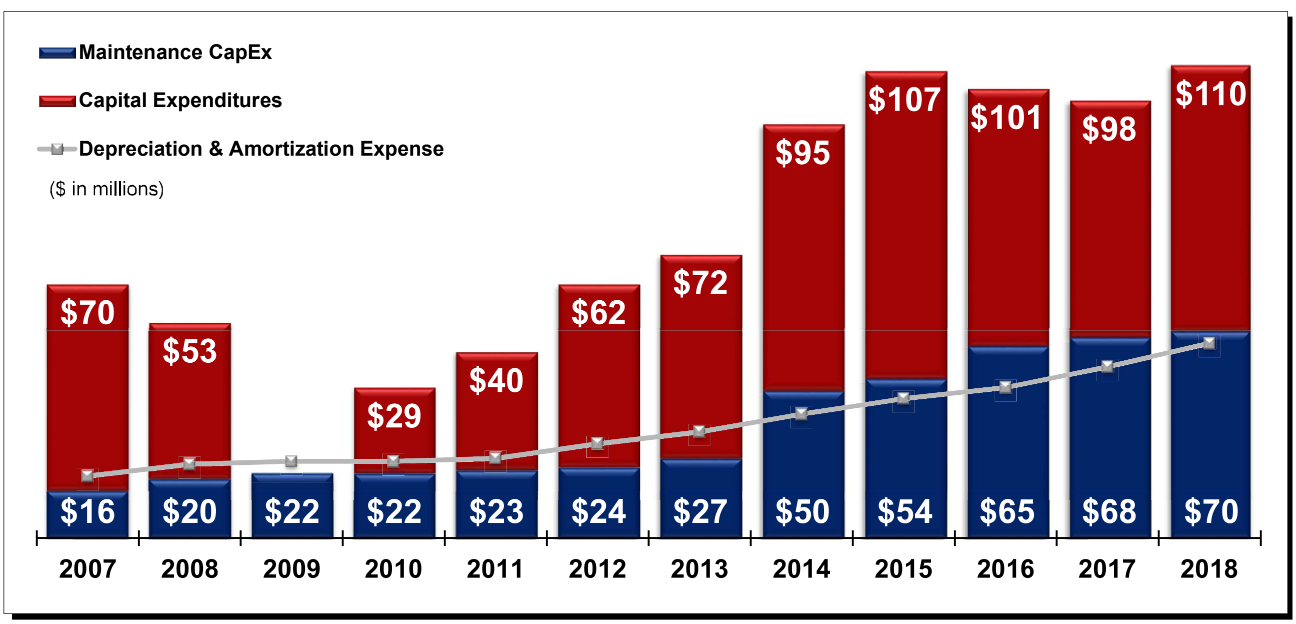
	Dealerships	
Region	Owned	Leased
United States	84	33
United Kingdom	20	29
Brazil	5	12

Leased vs. Owned Properties



Capital Expenditures

GP1



- **2019 CapEx is expected to approximate $100M.**

Consolidated Financial Results

Financial Results - Consolidated

$ in millions

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019	2018	% Change	C.C.[2]	2019	2018	% Change	C.C.[2]
Revenues	**$ 3,118**	$ 2,889	**7.9**	**9.1**	**$ 8,932**	$ 8,693	**2.8**	**4.4**
Gross Profit	**$ 466**	$ 435	**7.0**	**7.9**	**$ 1,351**	$ 1,293	**4.5**	**5.7**
SG&A as a % of Gross Profit	**76.0%**	72.8%	**320**	**bps**	**75.5%**	73.4%	**210**	**bps**
Adj. SG&A as a % of Gross Profit [1]	**73.2%**	73.7%	**(50)**	**bps**	**74.3%**	74.6%	**(30)**	**bps**
Net Income	**$ 38.0**	$ 54.0	**(29.6)**		**$ 202.9**	$ 204.3	**(0.7)**	
Adjusted Net Income [1]	**$ 56.4**	$ 49.2	**12.7**		**$ 234.6**	$ 219.5	**6.9**	
Diluted EPCS	**$ 2.04**	$ 1.74	**17.2**		**$ 6.77**	$ 6.18	**9.5**	
Adjusted Diluted EPCS [1]	**$ 3.02**	$ 2.47	**22.3**		**$ 7.92**	$ 6.60	**20.0**	

(1) See appendix for GAAP reconciliation

(2) Constant currency basis

Debt Maturity

Debt Maturity Slide

(in millions)	Maturity Date	As of September 30, 2019 Actual	As of September 30, 2019 Available Liquidity	Funding Capacity
Cash and cash equivalents		$ 41.0	$ 41.0	
Short-Term Debt				
Inventory Financing - Credit Facility [1]	2024	$ 1,164.6	$ 25.0	$ 1,440.0
Inventory Financing - Other [2]		445.6	0.2	
Current Maturities - Long-Term Debt		66.0		
		$ 1,676.3	$ 25.2	$ 1,440.0
Available Cash			**$ 66.2** [4]	
Long-Term Debt				
Acquisition Line of Credit [1,3]	2024	49.2	279.2	360.0
5.00% Senior Unsecured Notes (Face: $550.0 Million)	2022	545.0		
5.25% Senior Unsecured Notes (Face: $300.0 Million)	2023	297.2		
Real Estate	2020 - 2034	402.1		
Other	2020 - 2028	14.5		
Total Long-Term Debt		$ 1,308.0		
Total Debt		$ 2,984.3		
			$ 345.4	$ 1,800.0

1) The capacity under the floorplan and acquisition tranches of our credit facility can be redesignated within the overall $1.8 billion commitment. Further, the borrowings under the acquisition tranche may be limited from time to time based upon certain debt covenants.
2) Borrowings for new, used, and rental vehicle financing not associated with the Company's domestic syndicated credit facility.
3) The available liquidity balance at September 30, 2019 considers the $23.6 million of letters of credit outstanding.
4) Available cash of $66.2 million is total of cash and cash equivalents plus the U.S. offset accounts. The U.S. offset accounts are amount of excess cash that are used to pay down floorplan but can be immediately redrawn against inventory.

Interest Rate Variability

GP1

(in millions)	Actual	Variable %
Vehicle Financing	$1,610.3	93.0%
Real Estate & Other Debt[3]	$531.9	55.7%
Senior Notes [1]	$850.0	0%
SWAPS [2][3]	$850.0	100%

[1] Face Value
[2] SWAPS range from $100-$850 million through 2030, see following slide for more details
[3] excludes real estate interest rate SWAPS

- **Primary exposure is short-term interest rate changes; key exposure is one-month LIBOR.**
- **Group 1 has mitigated the majority of its risk exposure for rising interest rates through a combination of the swaps and fixed rate debt.**
- **Manufacturer floorplan assistance offsets a portion of interest rate impact:**
  - As interest rates go up, manufacturers have historically offered additional interest assistance to help offset the variance;
  - ~80% of variable inventory financing is eligible for floorplan assistance as used vehicle; rental and most foreign financing are not eligible for floorplan assistance; and
  - Interest assistance is recognized in new vehicle gross profit, not in interest expense.

SWAPS: Interest Expense Impact

GP1

INTEREST RATE SWAP LAYERS

$'s in millions

	2018	2019	2020	2021	2022-23	2024	2025	2026	2027-30
Swap Balance	**$750**	**$850**	**$500**	**$525**	**$450**	**$350**	**$275**	**$200**	**$100**
Interest Expense	$5.3	$0.7*	—	—	—	—	—	—	
Fixed LIBOR	**2.68%**	**2.33%**	**2.26%**	**1.83%**	**1.74%**	**1.68%**	**1.81%**	**1.77%**	**1.85%**

*estimated full-year impact

Note: Amortizing SWAPS associated with specific mortgages are excluded

Reconciliations

See following section for reconciliations of data denoted within this presentation

RECONCILIATION: Quarterly Adjusted EBIT, EBITDA, EBITDAR

($mm)	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	June-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11
	Three months ended,															
Net Income from continuing operations	$16	$17	$(22)	$(57)	$8	$10	$18	$(2)	$8	$13	$19	$11	$15	$25	$21	$21
Provision for income taxes	10	11	(13)	(39)	6	6	10	(2)	5	8	12	6	9	15	13	13
Other interest expense, net	10	9	9	9	7	8	7	7	7	6	7	7	8	8	9	9
Non-Cash asset impairment charges	—	—	48	115	—	2	1	18	—	1	2	8	0	0	4	1
Mortgage debt refinance charges	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—
(Gain) Loss on real estate and dealership transactions	—	1	0	—	7	(1)	—	1	—	5	(1)	—	—	—	—	—
(Gain) Loss of debt redemption	0	—	0	(17)	(7)	(1)	(1)	—	4	—	—	—	—	—	—	—
Severance costs	—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	—
Legal settlement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Adjusted EBIT	**$35**	**$38**	**$23**	**$10**	**$15**	**$24**	**$35**	**$23**	**$24**	**$34**	**$38**	**$31**	**$33**	**$48**	**$47**	**$44**
Depreciation Amortization expense	6	6	7	7	6	6	7	6	6	7	7	7	6	7	7	7
Adjusted EBITDA	**$41**	**$45**	**$29**	**$16**	**$21**	**$31**	**$42**	**$29**	**$31**	**$41**	**$45**	**$37**	**$39**	**$55**	**$54**	**$51**
G&A Rent Expense	14	13	13	13	13	13	13	13	13	13	13	13	12	12	12	12
Adjusted EBITDAR	**$54**	**$58**	**$42**	**$29**	**$34**	**$43**	**$55**	**$41**	**$43**	**$54**	**$57**	**$50**	**$51**	**$67**	**$66**	**$63**

Note: One time charges are pre-tax

RECONCILIATION: Quarterly Adjusted Net Income

($mm)	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11
	Three months ended,												
Net income	$(57)	$8	$10	$18	$(2)	$8	$13	$19	$11	$15	$25	$21	$21
Non-Cash asset impairment charges	67	—	1	0	12	—	1	1	5	0	0	2	0
Mortgage debt refinance changes	—	—	0	—	—	—	—	—		—	—	—	—
(Gain) Loss on real estate and dealership transactions	—	1	(1)	—	1	—	4	(1)	—	—	—	—	—
(Gain) Loss of debt redemption	(9)	(4)	0	0	—	2	—	—	—	—	—	—	—
Severance costs	—	—	—	—	—	—	0	—	—	—	—	—	—
Income tax effect	—	—	—	(2)	—	—	—	—	(1)	—	—	—	—
Legal Settlement	—	—	—	—	—	—	—	—	—	—	—	—	1
Adjusted Net Income	**$1**	**$5**	**$10**	**$17**	**$10**	**$10**	**$18**	**$19**	**$15**	**$16**	**$25**	**$24**	**$22**

Note: One time charges are pre-tax

RECONCILIATION: Adjusted Free Cash Flow (Non-GAAP)

Reconciliation of Certain Non-GAAP Financial Measures

(Unaudited, in millions)

Operating Cash Flow Reconciliation:	**2018**	**2017**	**2016**	**2015**	**2014**
Operating Cash Flow as Reported (GAAP)	**$270**	**$197**	**384**	**141**	**198**
Change in floorplan notes payable-credit facilities, excluding floorplan offset account and net acquisition and disposition	62	88	(113)	100	6
Change in floorplan notes payable-manufacturer affiliates associated with net acquisition and disposition related activity	(22)	(3)	—	3	3
Adjusted Operating Cash Flow (Non-GAAP)	**310**	**282**	**271**	**244**	**207**
Cap Ex	**(110)**	**(97)**	**(101)**	**(107)**	**(98)**
Adjusted Free Cash Flow (Non-GAAP)	**200**	**185**	**170**	**137**	**109**

Group 1 Automotive, Inc.
Reconciliation of Certain Non-GAAP Financial Measures - Consolidated

(Unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended September 30, 2019				
	U.S. GAAP	Catastrophic events	Dealership and real estate transactions	Non-cash asset impairments	Non-GAAP adjusted
Selling, general and administrative expenses	$ 354.0	$ (11.9)	$ (1.3)	$ —	$ 340.8
Asset impairments	10.3	—	—	(10.3)	—
Income (loss) from operations	83.3	11.9	1.3	10.3	106.8
Income (loss) before income taxes	$ 49.0	$ 11.9	$ 1.3	$ 10.3	$ 72.5
Less: (Benefit) provision for income taxes	11.0	2.9	0.2	2.0	16.1
Net income (loss)	38.0	9.0	1.1	8.3	56.4
Less: Adjusted earnings (loss) allocated to participating securities	1.4	0.3	0.1	0.3	2.1
Adjusted net income (loss) available to diluted common shares	$ 36.6	$ 8.7	$ 1.0	$ 8.0	$ 54.3
Diluted income (loss) per common share	$ 2.04	$ 0.48	$ 0.06	$ 0.44	$ 3.02
Effective tax rate	22.4%				22.2%
SG&A as % gross profit [1]	76.0%				73.2%
Operating margin [2]	2.7%				3.4%
Pretax margin [2]	1.6%				2.3%
Same Store SG&A	$ 340.0	$ (11.9)	$ (0.4)	$ —	$ 327.7
Same Store SG&A as % gross profit [1]	75.5%				72.8%
Same Store income (loss) from operations	$ 82.6	$ 11.9	$ 0.4	$ 10.2	$ 105.1
Same Store operating margin [2]	2.7%				3.5%

[1] Adjusted SG&A excludes the impact of SG&A reconciling items above.

[2] Adjusted operating margin and pretax margin excludes the impact of SG&A reconciling items above, as well as non-cash asset impairment charges.

Group 1 Automotive, Inc.
Reconciliation of Certain Non-GAAP Financial Measures - Consolidated
(Unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended September 30, 2018					
	U.S. GAAP	Dealership and real estate transactions	Legal matters	Non-Cash asset impairments	Tax Rate Changes	Non-GAAP adjusted
Selling, general and administrative expenses	$ 316.8	$ 5.4	$ (1.7)	$ —	—	$ 320.5
Asset impairments	23.2		—	(23.2)	—	—
Income (loss) from operations	78.2	(5.4)	1.7	23.2	—	97.7
Income (loss) before income taxes	$ 44.4	$ (5.4)	$ 1.7	$ 23.2	$ —	$ 63.9
Less: (Benefit) provision for income taxes	9.6	(1.2)	0.1	5.5	0.7	14.7
Net income (loss)	34.8	(4.2)	1.6	17.7	(0.7)	49.2
Less: Adjusted earnings (loss) allocated to participating securities	1.2	(0.1)	0.1	0.6	—	1.8
Adjusted net income (loss) available to diluted common shares	$ 33.6	$ (4.1)	$ 1.5	$ 17.1	$ (0.7)	$ 47.4
Diluted income per common share	$ 1.74	$ (0.21)	$ 0.08	$ 0.89	(0.03)	$ 2.47
Effective tax rate	21.6%					23.0%
SG&A as % gross profit [1]	72.8%					73.7%
Operating margin [2]	2.7%					3.4%
Pretax margin [2]	1.5%					2.2%
Same Store SG&A	$ 308.2	$ 1.7	(1.1)	$ —	—	$ 308.8
Same Store SG&A as % gross profit [1]	72.6%					72.7%
Same Store income from operations	$ 77.8	$ (1.7)	$ 1.1	$ 22.2	—	$ 99.4
Same Store operating margin [2]	2.8%					3.5%

[1] Adjusted SG&A excludes the impact of SG&A reconciling items above.

[2] Adjusted operating margin and pretax margin excludes the impact of SG&A reconciling items above, as well as non-cash asset impairment charges.

Group 1 Automotive, Inc.
Reconciliation of Certain Non-GAAP Financial Measures - Consolidated
(Unaudited)
(Dollars in millions, except per share amounts)

	Nine Months Ended September 30, 2019					
	U.S. GAAP	Catastrophic events	Dealership and real estate transactions	Legal matters	Non-cash asset impairments	Non-GAAP adjusted
Selling, general and administrative expenses	$ 1,020.4	$ (17.8)	$ 4.1	$ (2.0)	$ —	$ 1,004.7
Asset impairments	10.8	—	—	—	(10.8)	—
Income (loss) from operations	267.2	17.8	(4.1)	2.0	10.8	293.7
Income (loss) before income taxes	$ 164.4	$ 17.8	$ (4.1)	$ 2.0	$ 10.8	$ 190.9
Less: (Benefit) provision for income taxes	38.5	4.4	(1.7)	0.5	2.0	43.7
Net income (loss)	125.9	13.4	(2.4)	1.5	8.8	147.2
Less: Adjusted earnings (loss) allocated to participating securities	4.7	0.5	(0.1)	0.1	0.3	5.5
Adjusted net income (loss) available to diluted common shares	$ 121.2	$ 12.9	$ (2.3)	$ 1.4	$ 8.5	$ 141.7
Diluted income (loss) per common share	$ 6.77	$ 0.73	$ (0.13)	$ 0.08	$ 0.47	$ 7.92
Effective tax rate	23.4%					22.9%
SG&A as % gross profit (1)	75.5%					74.3%
Operating margin (2)	3.0%					3.3%
Pretax margin (2)	1.8%					2.1%
Same Store SG&A	$ 987.3	$ (17.9)	$ 0.7	$ (1.8)	$ —	$ 968.3
Same Store SG&A as % gross profit (1)	75.4%					73.9%
Same Store income (loss) from operations	$ 260.6	$ 17.9	$ (0.7)	$ 1.8	$ 10.7	$ 290.3
Same Store operating margin (2)	3.0%					3.4%

(1) Adjusted SG&A excludes the impact of SG&A reconciling items above.

(2) Adjusted operating margin and pretax margin excludes the impact of SG&A reconciling items above, as well as non-cash asset impairment charges.

Group 1 Automotive, Inc.
Reconciliation of Certain Non-GAAP Financial Measures - Consolidated
(Unaudited)

(Dollars in millions, except per share amounts)

	Nine Months Ended September 30, 2018						
	U.S. GAAP	Catastrophic events	Dealership and real estate transactions	Legal matters	Non-cash asset impairments	Tax Rate Changes	Non-GAAP adjusted
Selling, general and administrative expenses	$ 949.2	$ (5.8)	$ 25.5	$ (4.3)	$ —	$ —	$ 964.6
Asset impairments	27.4	—		—	(27.4)	—	—
Income (loss) from operations	266.4	5.8	(25.5)	4.3	27.4	—	278.4
Income (loss) before income taxes	$ 165.7	$ 5.8	$ (25.5)	$ 4.3	$ 27.4	$ —	$ 177.7
Less: (Benefit) provision for income taxes	38.6	1.4	(6.2)	0.7	6.6	0.7	41.8
Net income (loss)	127.1	4.4	(19.3)	3.6	20.8	(0.7)	135.9
Less: Adjusted earnings (loss) allocated to participating securities	4.3	0.1	(0.6)	0.1	0.7	—	4.6
Adjusted net income (loss) available to diluted common shares	$ 122.8	$ 4.3	$ (18.7)	$ 3.5	$ 20.1	$ (0.7)	$ 131.3
Diluted income (loss) per common share	$ 6.18	$ 0.21	$ (0.94)	$ 0.18	$ 1.00	$ (0.03)	$ 6.60
Effective tax rate	23.3%						23.6%
SG&A as % gross profit [1]	73.4%						74.6%
Operating margin [2]	3.1%						3.2%
Pretax margin [2]	1.9%						2.0%
Same Store SG&A	$ 936.0	$ (5.8)	$ 4.9	$ (3.5)	$ —	$ —	$ 931.6
Same Store SG&A as % gross profit [1]	74.4%						74.1%
Same Store income (loss) from operations	$ 248.4	$ 5.8	$ (4.9)	$ 3.5	$ 25.3	$ —	$ 278.1
Same Store operating margin [2]	2.9%						3.3%

[1] Adjusted SG&A excludes the impact of SG&A reconciling items above.

[2] Adjusted operating margin and pretax margin excludes the impact of SG&A reconciling items above, as well as non-cash asset impairment charges.

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