



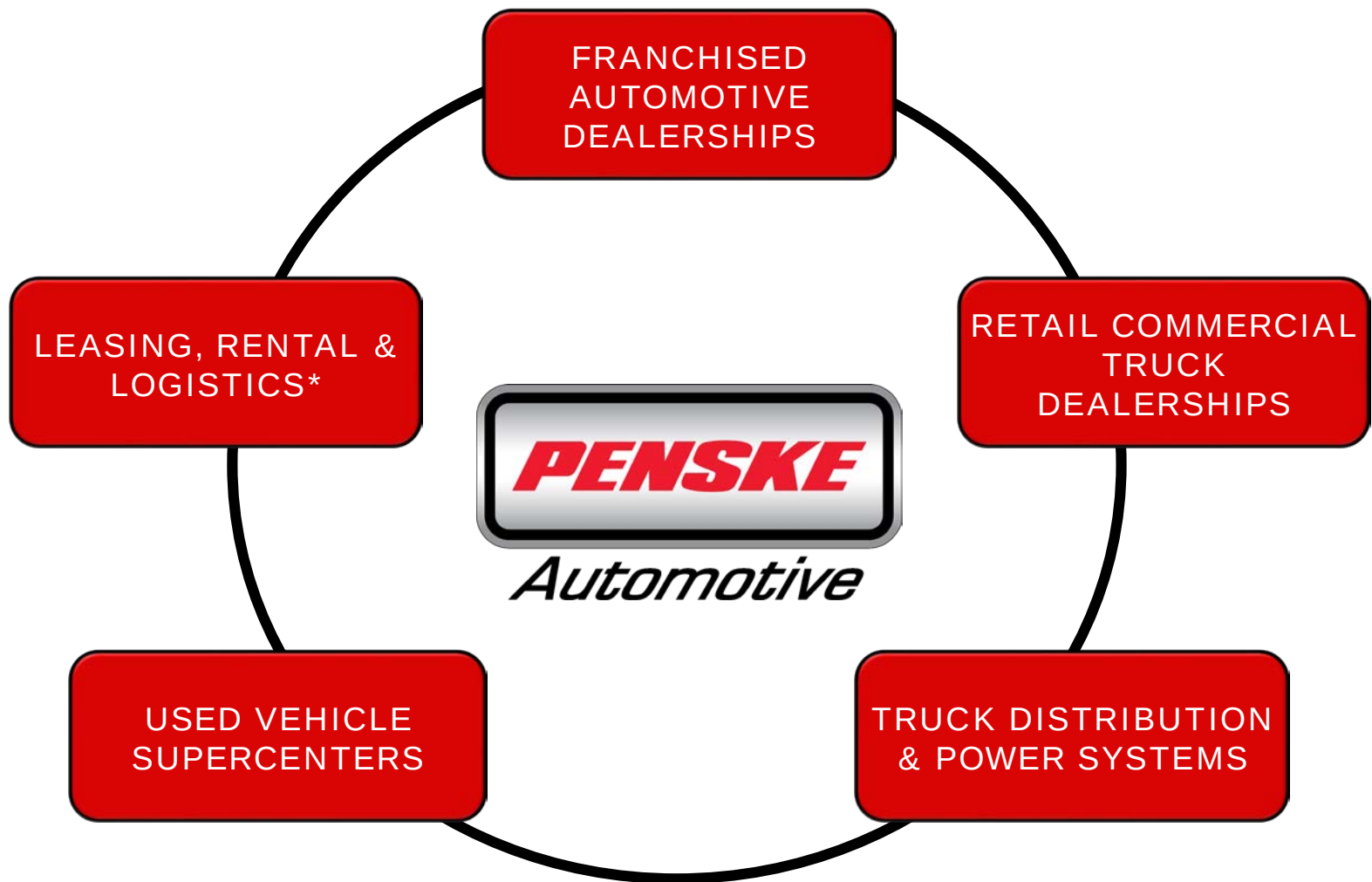
First Quarter 2020



Financial Results & Update

Statements in this presentation may involve forward-looking statements, including forward-looking statements regarding Penske Automotive Group, Inc.'s financial results, future sales, earnings potential, liquidity and assessment of business conditions in light of the Covid-19 pandemic. Actual results may vary materially because of risks and uncertainties that are difficult to predict. These risks and uncertainties include, among others: the duration, severity and resolution of the Covid-19 pandemic, economic conditions generally, conditions in the credit markets and changes in interest rates and foreign currency exchange rates, changes in tariff rates, adverse impacts related to the outcome of the United Kingdom's departure from the European Union, adverse conditions affecting a particular manufacturer, including the adverse impact to the vehicle and parts supply chain due to limited vehicle availability due to WLTP or RDE, natural disasters, or other disruptions that interrupt the supply of vehicles or parts to us, changes in consumer credit availability, the outcome of legal and administrative matters, and other factors over which management has limited control. These forward-looking statements should be evaluated together with additional information about Penske Automotive's business, markets, conditions and other uncertainties, which could affect Penske Automotive's future performance. These risks and uncertainties are addressed in Penske Automotive's Form 10-K for the year ended December 31, 2019, and its other filings with the Securities and Exchange Commission ("SEC"). This presentation speaks only as of its date, and Penske Automotive disclaims any duty to update the information herein. Refer to the company's latest earnings press release dated May 6, 2020.

Diversification



* PAG maintains a 28.9% ownership interest in Penske Truck Leasing and records a share of earnings using the equity method.



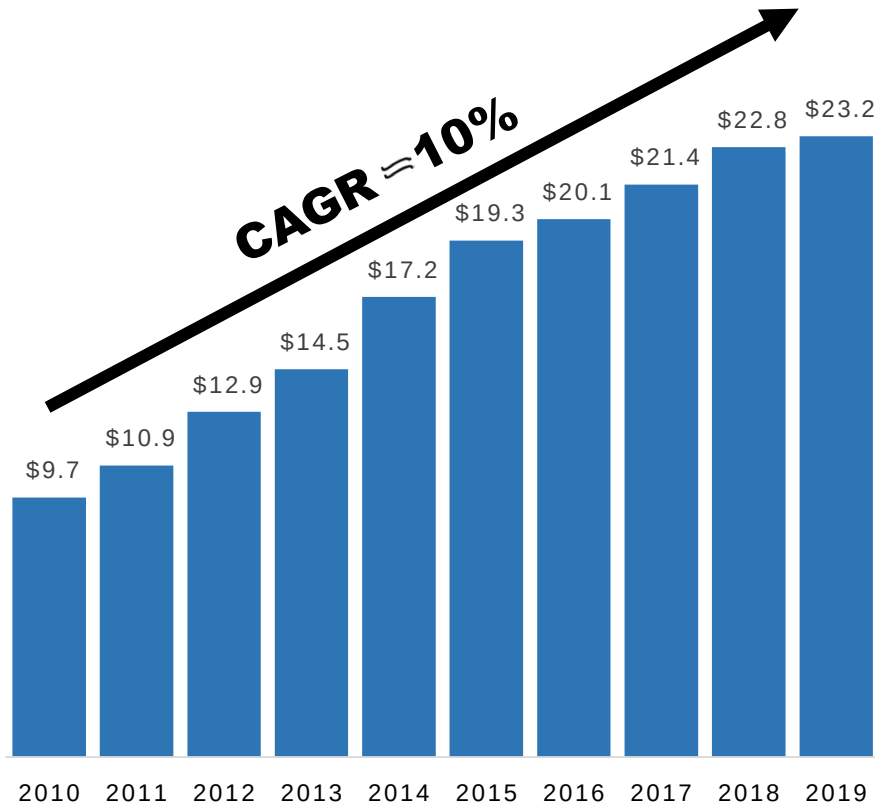
Penske Automotive Group Overview

- A diversified transportation services company with annual revenues in 2019 of \$23.2 billion
- 265 Retail automotive locations world-wide
 - 249 Automotive dealerships
 - 16 Used vehicle supercenters
- 34 Collision centers
- 25 N.A. commercial truck dealerships

Revenue and Earnings History

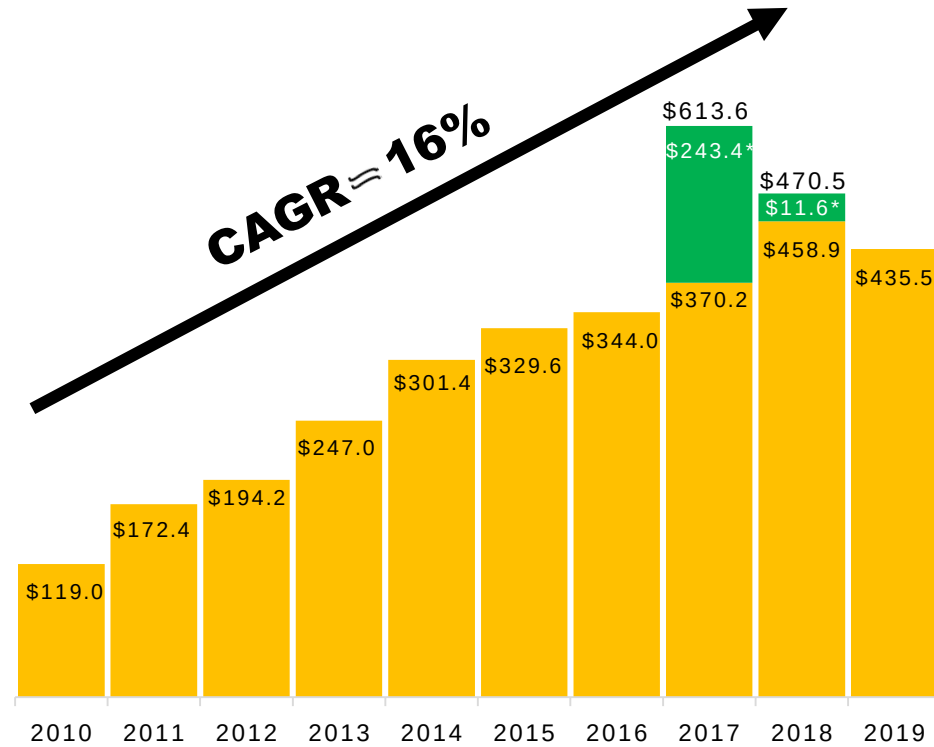
REVENUE

(\$ in Billions)



INCOME – CONT OPERATIONS

(\$ in Millions)



*Tax benefit of the 2017 U.S. Tax Cuts and Jobs Act

■ Tax Benefit*

CAGR = Compounded Annual Growth Rate

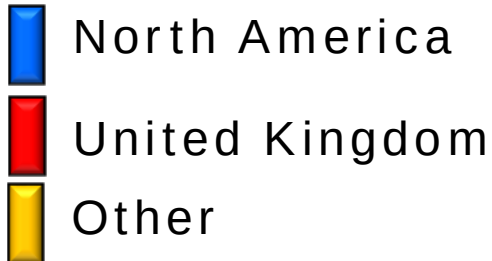
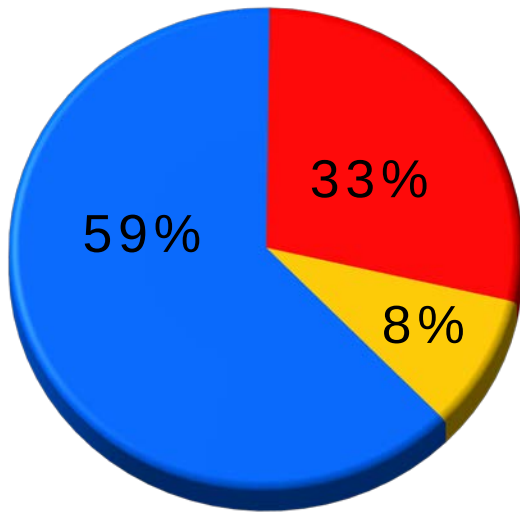


FIRST QUARTER 2020 FINANCIAL REVIEW

3M 2020 Revenue & EBT

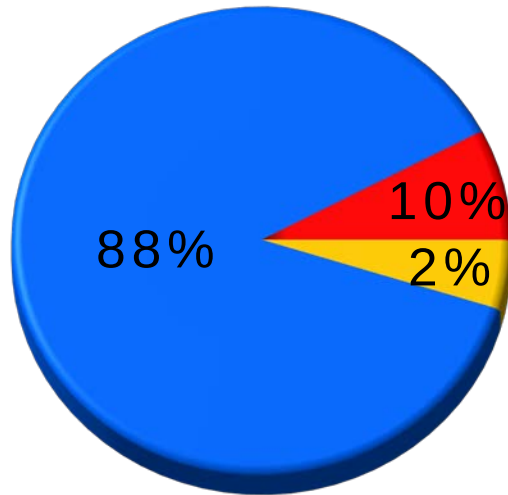
Revenue

\$5.0 Billion



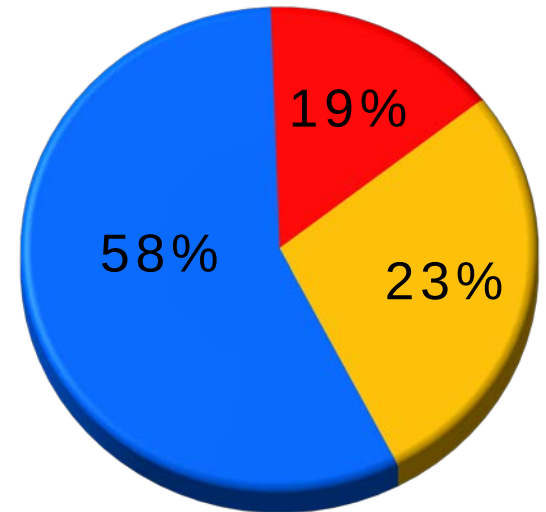
Revenue

\$5.0 Billion



Earnings Before Tax

\$71.5 Million



*Includes equity income from joint venture investments, including Penske Transportation Solutions

Q1 2020 Results – Continuing Operations

(\$ in Millions, except per share amounts)

	Q1 2020	Q1 2019	Chg. %
Revenue	\$5,009.1	\$5,564.4	-10%
Gross Profit	\$776.7	\$851.5	-9%
Gross Margin %	15.5%	15.3%	+20 Bps
SG&A as % of GP	82.6%	78.3%	+430 Bps
Operating Income	\$106.4	\$158.7	-33%
Earnings Before Taxes	\$71.5	\$133.8	-47%
Income from Cont. Oper.	\$51.6	\$100.1	-49%
Earnings Per Share	\$0.64	\$1.19	-46%

Q1 2020 Review

- Retailed 106,000 new and used units, down 16%

	U.S.	Intl	Total
Jan/Feb 2020	+7.1%	-4.7%	+1.3%
March 2020	<u>-41.1%</u>	<u>-42.4%</u>	<u>-41.8%</u>
Q1 2020 Total	-11.6%	-21.1%	-16.4%

- Revenue declined 10% to \$5.0 billion
- Same-store retail automotive revenue declined 12.0%

	U.S.	Intl	Total
Jan/Feb 2020	+8.3%	+2.9%	+6.0%
March 2020	<u>-37.9%</u>	<u>-36.6%</u>	<u>-37.3%</u>
Q1 2020 Total	-9.5%	-15.0%	-12.0%

Q1 2020 Retail Automotive Key Metrics

Same-Store Metrics	Q1 '20	Q1 '19	Change
Volume Metrics			
New Units	43,151	52,327	-18%
Used Units	61,719	70,364	-12%
Used to New Ratio	1.43	1.34	+7%
Margin Metrics			
New Margin	7.4%	7.7%	-30 Bps
Used Margin	5.3%	5.2%	+10 Bps
Service & Parts Margin	59.1%	59.2%	-10 bps

(nm = not meaningful)

Q1 2020 Gross Profit Per Unit (Same-Store)

U.S.	Q1 '20	Q1 '19	Change
New Vehicle	\$3,072	\$3,047	+\$25
Used Vehicle	\$1,569	\$1,428	+\$141
F&I	\$1,453	\$1,357	+\$96
Variable Gross ⁽¹⁾	\$3,752	\$3,584	+\$168

International	Q1'20	Q1 '19	Change
New Vehicle	\$3,433	\$3,438	-\$5
Used Vehicle	\$1,212	\$1,246	-\$34
F&I	\$1,265	\$1,194	+\$71
Variable Gross ⁽¹⁾	\$3,211	\$3,226	-\$15

Total	Q1'20	Q1 '19	Change
New Vehicle	\$3,211	\$3,210	+\$1
Used Vehicle	\$1,375	\$1,327	+\$48
F&I	\$1,363	\$1,276	+\$87
Variable Gross ⁽¹⁾	\$3,493	\$3,407	+\$86

(1) Variable Gross: new vehicle gross profit, used retail gross profit, and F&I gross profit divided by new and used retail unit sales



Selected Performance Metrics (Same-Store)

\$ in Millions	<u>United States</u>			<u>International</u>			<u>Total</u>		
	2020	2019	Chg.	2020	2019	Chg.	2020	2019	Chg.
FEB YTD									
New Units	19,604	18,484	6.1%	8,658	9,418	-8.1%	28,262	27,902	1.3%
Used Units	<u>20,938</u>	<u>19,245</u>	<u>8.8%</u>	<u>25,559</u>	<u>25,178</u>	<u>1.5%</u>	<u>46,497</u>	<u>44,423</u>	<u>4.7%</u>
Total	40,542	37,729	7.5%	34,217	34,596	-1.1%	74,759	72,325	3.4%
Revenue	\$1,702.1	\$1,571.4	8.3%	\$1,192.9	\$1,158.9	2.9%	\$2,895.0	\$2,730.3	6.0%
MARCH									
New Units	6,961	12,027	-42.1%	7,928	12,398	-36.1%	14,889	24,425	-39.0%
Used Units	<u>7,179</u>	<u>12,099</u>	<u>-40.7%</u>	<u>8,043</u>	<u>13,842</u>	<u>-41.9%</u>	<u>15,222</u>	<u>25,941</u>	<u>-41.3%</u>
Total	14,140	24,126	-41.4%	15,971	26,240	-39.1%	30,111	50,366	-40.2%
Revenue	\$611.3	\$984.3	-37.9%	\$610.5	\$963.4	-36.6%	\$1,221.8	\$1,947.7	-37.3%
Q1 2020									
New Units	26,565	30,511	-12.9%	16,586	21,816	-24.0%	43,151	52,327	-17.5%
Used Units	<u>28,117</u>	<u>31,344</u>	<u>-10.3%</u>	<u>33,602</u>	<u>39,020</u>	<u>-13.9%</u>	<u>61,719</u>	<u>70,364</u>	<u>-12.3%</u>
Total	54,682	61,855	-11.6%	50,188	60,836	-17.5%	104,870	122,691	-14.5%
Revenue	\$2,313.4	\$2,555.7	-9.5%	\$1,803.4	\$2,122.3	-15.0%	\$4,116.8	\$4,678.0	-12.0%

U.S. Operations Selected Information - 2020

- Last Ten Days of April vs Last Ten Days of March
 - New Units +12%
 - Used Units +49%
 - Total units +40%
- Last Ten Days of April vs First Ten Days of April
 - New Units +33%
 - Used Units +51%
 - Total units +55%

COVID-19 Actions

- Increased cash position with drawdowns on credit agreements
- Enhanced dealership cleaning protocol, implemented vehicle sanitization; touchless delivery, pick-up and drop off service, etc.
- Initiated significant expense reduction
 - Deferred \$150 million in capital expenditures
 - Reduced advertising
 - Furloughed 15,000 employees
- Implemented pay cuts for executives and management
- Worked with captive finance companies and OEMs to defer floorplan interest, mortgage payments
- Enhanced online and ecommerce initiatives

USED SUPERCENTERS

Used Vehicle SuperCenters

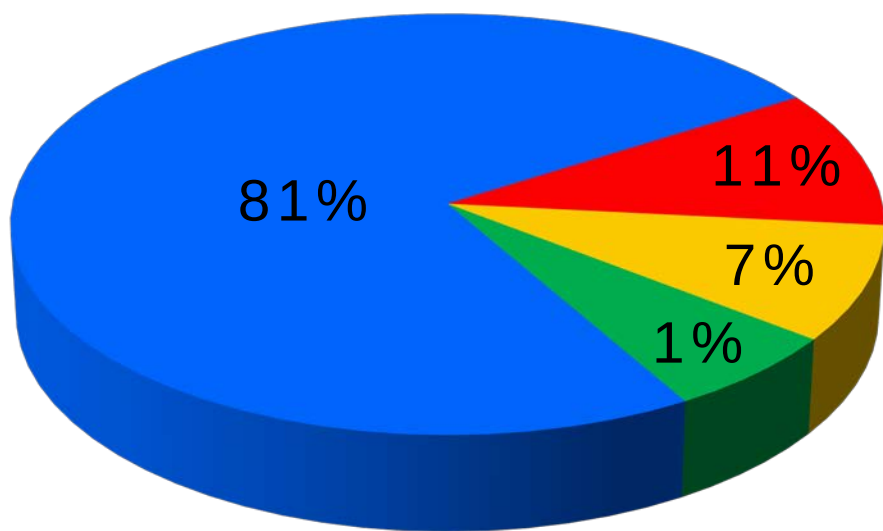
	Q1 '20	Q1 '19	Chg %
Used Units Retailed	16,312	18,040	-9.6%
Revenue (in millions)	\$305	\$314	-2.8%
Avg. Transaction Price	\$15,158	\$14,567	+4.1%
Total Variable Gross/Unit	\$1,953	\$1,990	-2.0%
Vehicle Margin	12.9%	13.7%	-80 Bps

Used Vehicle SuperCenters Revenue & Gross

(Q1 2020)

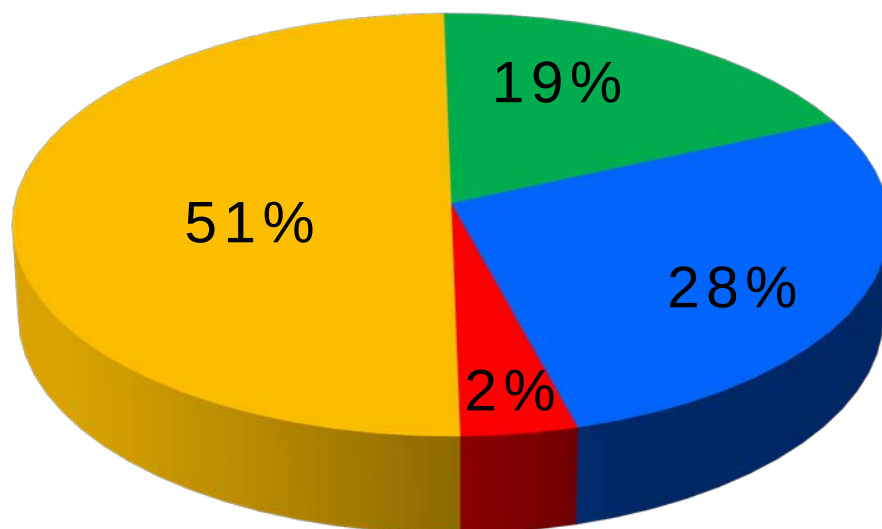
Revenue

\$305 Million



Gross Profit

\$40 Million



■ Used

■ Wholesale

■ F&I

■ S&P

COMMERCIAL TRUCKS

Q1 2020 Retail Truck Key Metrics

	Q1 '20	Q1 '19	Chg.	Same-Store Chg.
Volume Metrics				
New Units	2,811	1,887	+49%	-2%
Used Units	698	416	+68%	+23%
Gross Per Unit				
New Vehicle	\$4,455	\$5,391	-17%	-24%
Used Vehicle	(\$3,511)	\$6,557	-154%	-103%
F&I	\$907	\$1,309	-31%	-24%

Retail Commercial Truck Revenue & Gross

Q1 2020

78% of Gross Profit From Service & Parts

	Revenue	Gross Profit
New	64.8%	18.2%
Used	7.0%	(3.6%)
F&I	0.7%	4.7%
S&P	25.3%	77.6%
Other	<u>2.2%</u>	<u>3.1%</u>
Total	100.0%	100.0%

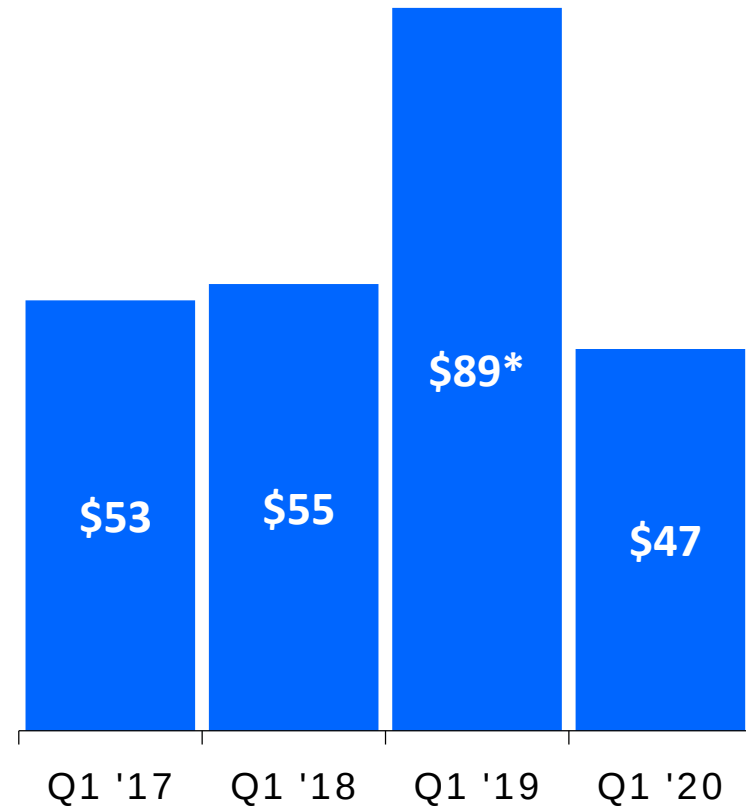
PENSKE TRANSPORTATION SOLUTIONS

PTS Q1 Performance Summary

Q1 Total Revenue (\$ in Millions)



Q1 Net Income (\$ in Millions)



* See Page 23

Penske Transportation Solutions

- We own 28.9% of Penske Transportation Solutions
- PTS total assets \$15.9 billion
- Q1 2020 PTS net income declined \$42 million
 - Lower gains on sale of \$20 million of used revenue earning equipment due to market conditions
 - An 11% decline in rental operations and lower utilization
- PTS Q1 2019 benefited from \$11.5 million gain from a legal settlement

DIGITAL INITIATIVES

Digital/Omni-Channel Initiatives

- Over 56,000 new and used vehicles available online via websites and social channels
- Nearly 50% of U.S. unit sales were from digital initiatives in the first quarter 2020
- Preferred Purchase online buying tool incorporating digital signing, remote id verification and e-contracting
- Adapted sales processes to facilitate video messaging, curbside/home delivery, pick-up and drop off service and remote F&I using docuPAD®
- New e-commerce websites for PenskeCars.com and CarSense; updated functionality on Sytner.co.uk site to purchase vehicles 100% online

Penskecars.com Site

PENSKECARS.COM

Over 40 Brands. Nearly 40,000 Vehicles.



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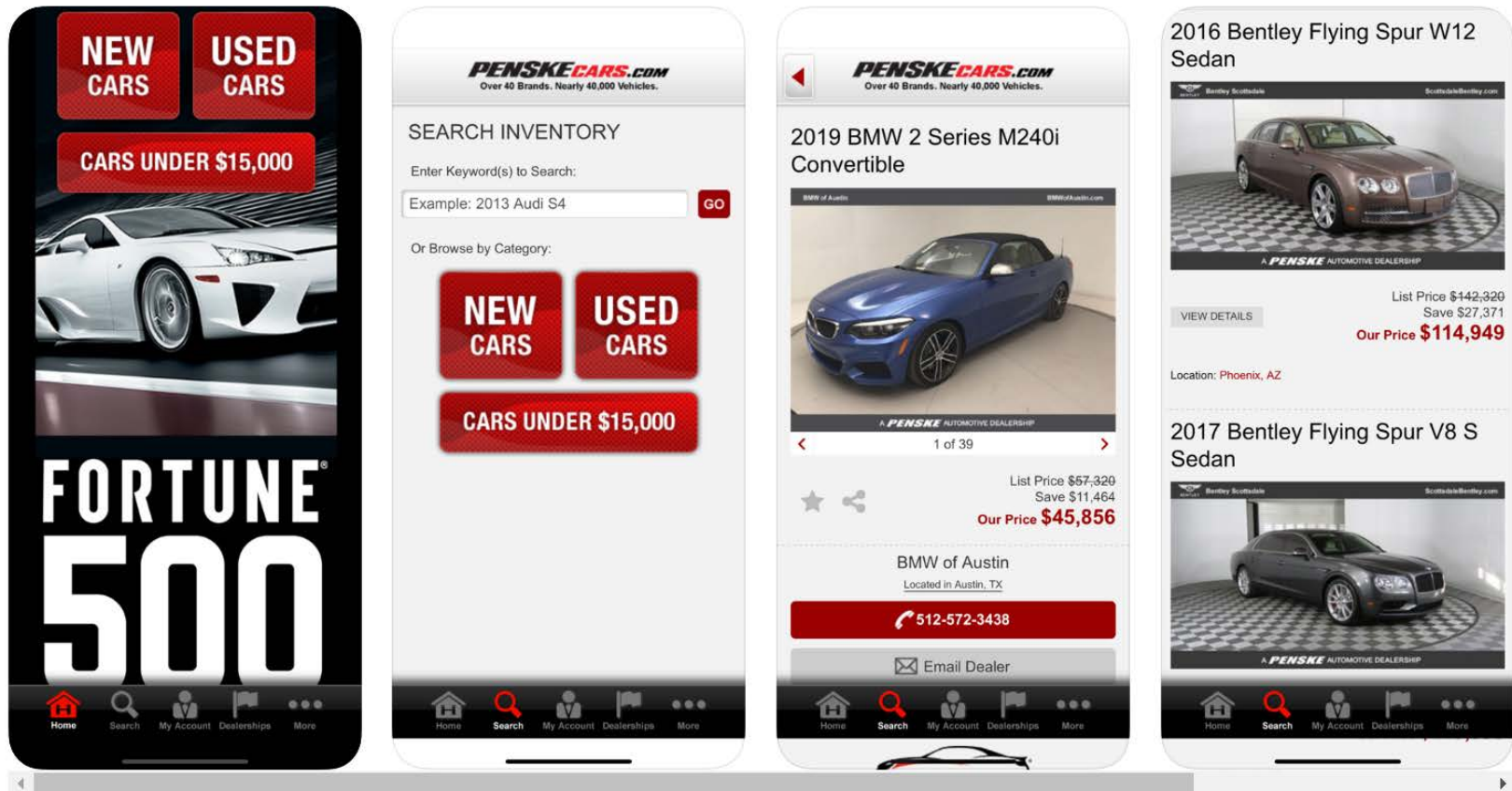


Zip Code

 Search



Penskecars App





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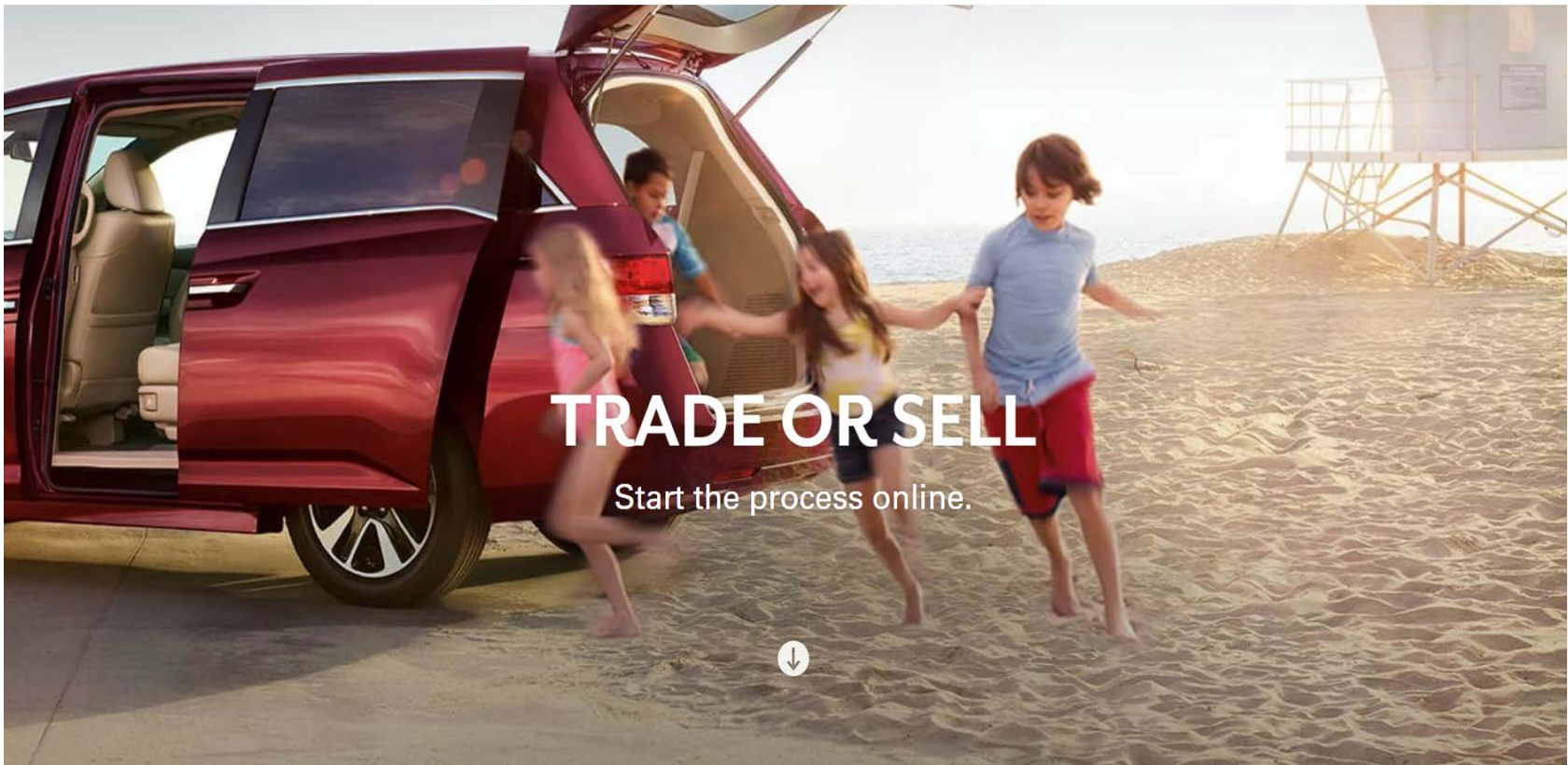
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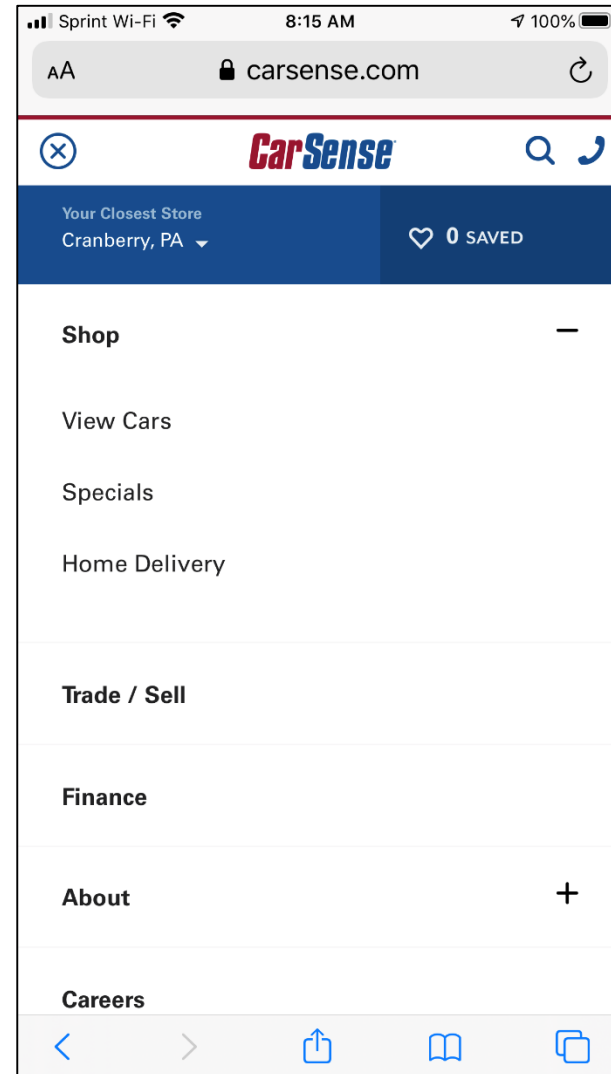
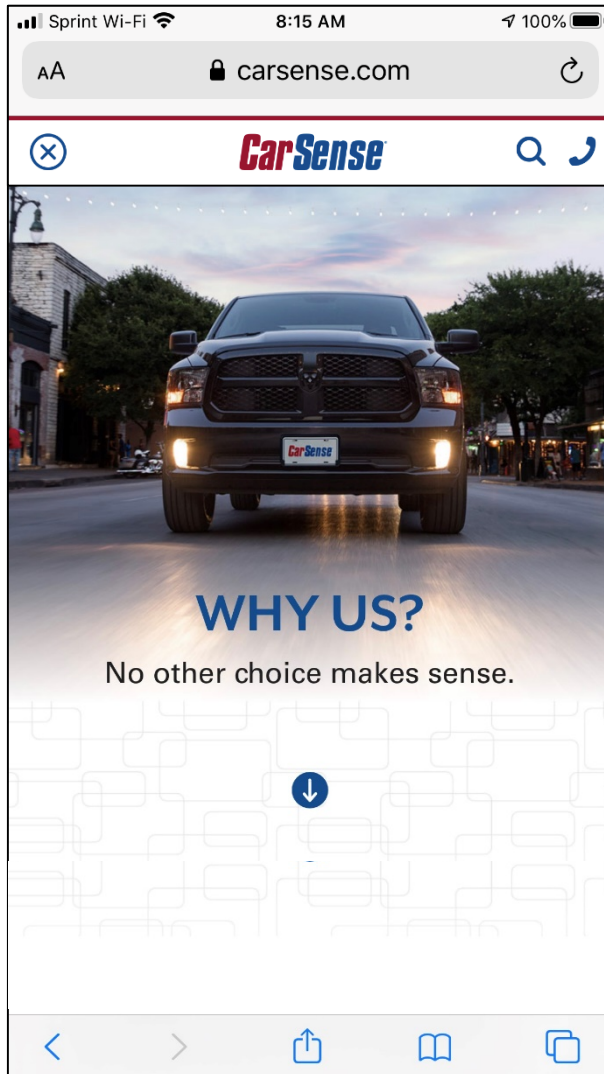
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NON-GAAP RECONCILIATIONS

EBITDA Reconciliation

The following table reconciles reported net income to earnings before interest, taxes, depreciation and amortization (“EBITDA”) for the three months ended March 31, 2020 and 2019:

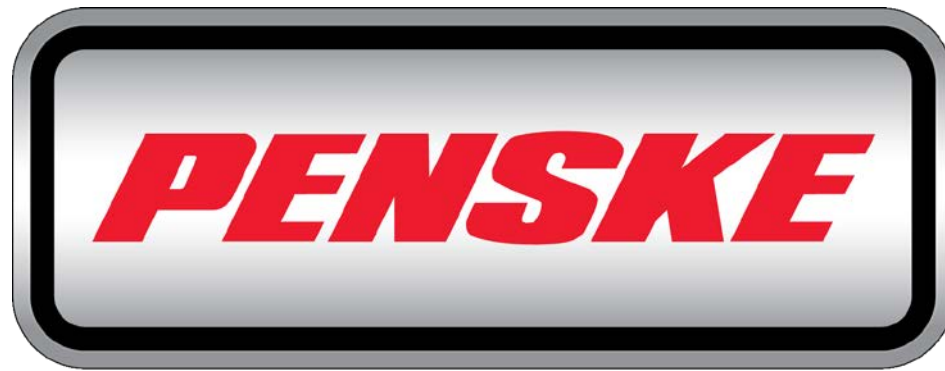
	3 Mos. Ended March 31,	
	2020	2019
Net Income	\$51.5	\$99.2
Depreciation	\$28.5	\$26.4
Other Interest	\$31.7	\$29.9
Income Taxes	\$20.1	\$34.7
(Inc.)/Loss from Disc. Ops.	<u>(\$0.1)</u>	<u>(\$0.1)</u>
EBITDA	\$131.7	\$190.1

Free Cash Flow Reconciliation

The following table reconciles net cash provided by continuing operating activities to free cash flow for the three months ended March 31, 2020

(\$ In Millions)

Net cash provided by continuing operating activities	\$ 212
Add: Net borrowings of floor plan notes payable (non-trade)	12
Add: Proceeds from sale of dealerships	10
Less: Purchase of equipment and improvements (capital expenditures)	(26)
Less: Repurchases of common stock	(29)
Less: Dividends	<u>(34)</u>
Free Cash Flow	\$145



Automotive