



Fourth Quarter and Full Year 2022 Financial Results



DISCLAIMER

Statements in this presentation may involve forward-looking statements, including forward-looking statements regarding Penske Automotive Group, Inc.'s financial performance and future plans. Actual results may vary materially because of risks and uncertainties that are difficult to predict. These risks and uncertainties include, among others, those related to macro-economic, geo-political and industry conditions and events, including their impact on new and used vehicle sales, the availability of consumer credit, changes in consumer demand, consumer confidence levels, fuel prices, personal discretionary spending levels, interest rates, and unemployment rates; our ability to obtain vehicles and parts from our manufacturers, especially in light of supply chain disruptions due to natural disasters, the shortage of microchips or other components, the COVID-19 pandemic, the war in Ukraine, challenges in sourcing labor, or other disruptions; changes in the retail model either from direct sales by manufacturers, a transition to an agency model of sales, sales by online competitors, or from the expansion of electric vehicles; the continued effect of COVID-19 on the global economy, including our ability to react effectively to changing business conditions in light of the COVID-19 pandemic; the rate of inflation, including its impact on vehicle affordability; changes in interest rates and foreign currency exchange rates; our ability to consummate and integrate acquisitions; with respect to PTS, changes in the financial health of its customers, labor strikes or work stoppages by its employees, a reduction in PTS' asset utilization rates, continued availability from truck manufacturers and suppliers of vehicles and parts for its fleet, changes in values of used trucks which affects PTS' profitability on truck sales and regulatory risks and related compliance costs; our ability to realize returns on our significant capital investment in new and upgraded dealership facilities; our ability to navigate a rapidly changing automotive and truck landscape; our ability to respond to new or enhanced regulations in both our domestic and international markets relating to automotive dealerships and vehicles sales, including those related to emissions standards, as well as changes in consumer sentiment relating to commercial truck sales that may hinder our or PTS' ability to maintain, acquire, sell, or operate trucks; the success of our distribution of commercial vehicles, engines, and power systems; natural disasters; recall initiatives or other disruptions that interrupt the supply of vehicles or parts to us; 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 Group's business, markets, conditions, risks and other uncertainties, which could affect Penske Automotive Group's future performance. The risks and uncertainties discussed above are not exhaustive and additional risk and uncertainties are addressed in Penske Automotive Group's Form 10-K for the year ended December 31, 2021, Form 10-Q for the quarterly periods ended March 31, 2022, June 30, 2022, and September 30, 2022, and its other filings with the Securities and Exchange Commission ("SEC"). This presentation speaks only as of its date, and Penske Automotive Group disclaims any duty to update the information herein.



Overview

Highlights

Performance Review

Acquisitions

Digital Marketing/Retailing

Sustainability & ESG

Non-GAAP



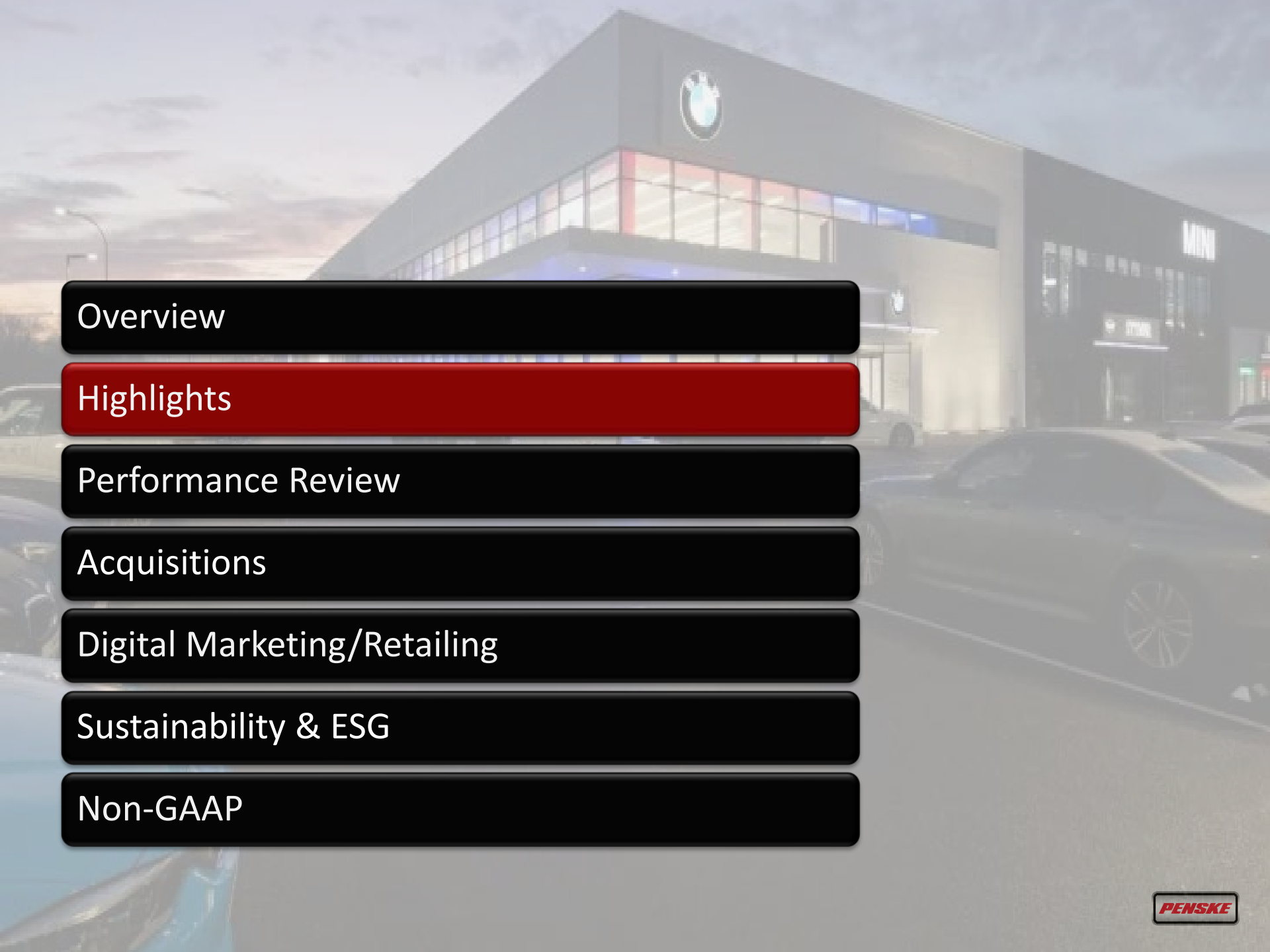
COMPANY OVERVIEW

A \$28 billion annual revenue diversified international transportation services company and one of the world's premier automotive and commercial truck retailers

- Over 26,500 employees
- Operations across four continents and nine countries
 - Retail Automotive
 - U.S., U.K., Germany, Italy, Spain, and Japan
 - Stand-Alone Used Vehicles
 - U.S. and U.K.
 - Retail Commercial Trucks
 - U.S. and Canada
 - Commercial Vehicles, Power Systems & Parts Distribution
 - Australia and New Zealand
 - Penske Transportation Solutions

INVESTMENT OVERVIEW

- Diversified business mix provides multiple opportunities for growth
- Operate in the highly fragmented automotive and commercial truck retail industries
- Retail automotive segment focused on Premium/Luxury brands which generate more than 70% of automotive revenue
- The largest retail commercial truck dealer for Daimler Trucks N.A.
- 28.9% ownership of Penske Transportation Solutions provides equity income, cash dividends and cash tax savings
- Recurring parts and service operations represent approximately 40% of total Company gross profit
- Strong cash flow generation
- Capital allocation focused on acquisitions, cash dividends, and securities repurchases



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Q4 2022 KEY TAKEAWAYS

(\$ in millions, except EPS)	Reported	Excl. F/X
Revenue	\$7,012	\$7,393
EBT	\$395	\$403
Net Income	\$298	\$304
Earnings Per Share	\$4.21	\$4.30

- Share repurchases:
 - Q4: 2.5 million shares for \$284.5 million
 - Full Year 2022: 8.2 million shares for \$886.5 million
- For 2022, completed acquisitions and open points representing \$1.3 billion in annualized revenue
- Board of Directors increased dividend four times in 2022, from \$0.46 to \$0.57 per share, +24%
- In January 2023, Board of Directors increased dividend from \$0.57 to \$0.61 per share, +7%

Q4 AND FULL YEAR 2022 KEY HIGHLIGHTS

Retail Automotive

- Same-store total units retailed of 102,906, +2%
- Same-store revenue performance:

\$ in Millions	<u>Reported</u>	<u>Excl. F/X</u>
New Veh	\$2,619	\$2,747
Used Veh	\$1,909	\$2,053
F & I	\$194	\$203
Svc/Parts	\$591	\$620
Fleet/Whsl	<u>\$307</u>	<u>\$326</u>
Total	\$5,620	\$5,949

- Same-store variable vehicle gross profit of \$5,845, -11%; excl F/X \$6,154, -7%

Retail Commercial Trucks

- Retailed 5,704 new & used trucks, +28%; same-store units +22%
- Same-store revenue +33%
- Same-store gross profit +8%
- Same-store service & parts revenue +16%
- Fixed cost absorption of 128%
- EBT +14% to \$51 million

Capital Allocation

- For full year 2022 completed acquisitions and open points representing approx. \$1.3 billion in annualized revenue
- Increased dividend four times in 2022, from \$0.46 to \$0.57 per share, +24%
- Increased dividend in January 2023 to \$0.61 per share from \$0.57, or +7%
- Share repurchases:

Q4 2022: 2.5M shares for \$284.5M
Full Year 2022: 8.2M shares for \$886.5M

CarShop Used Centers

- Retailed 14,028 used vehicles, -5%

<u>Same-Store</u>	<u>Reported</u>	<u>Chg</u>	<u>Excl F/X</u>	<u>Chg</u>
Revenue	\$330 Mil	-13%	\$367 Mil	-3%
Var. Gr/Unit	\$2,122	-21%	\$2,368	-12%

Penske Transportation Solutions

- Generated 9% increase in equity earnings to \$99.4 million from \$91.3 million
- For the twelve months ended 12/31/22, received \$357 million in cash distributions

Profitability

(\$ in millions, except EPS)

Fourth Quarter 2022

	<u>Reported</u>	<u>Excl. F/X</u>
EBT	\$395	\$403
Net Income	\$298	\$304
EPS	\$4.21	\$4.30

Full Year 2022

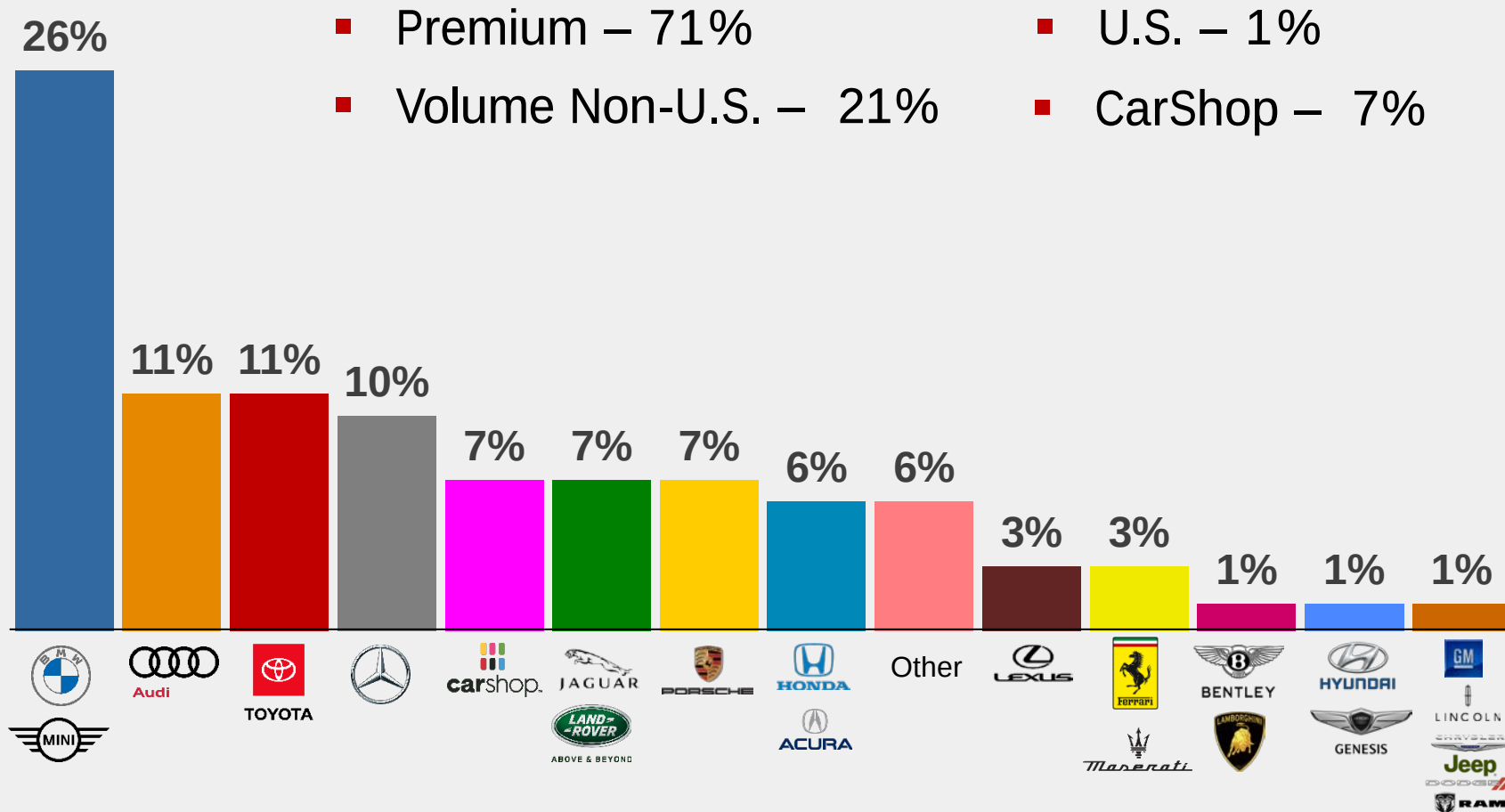
- Revenue Increased 9% to \$27.8 Bil; Earnings Before Taxes Increased 16% to \$1.9 Bil
- Income From Continuing Operations Increased 16% to \$1.4 Bil
- Earnings Per Share Increased 25% to \$18.55

Q4 & 12M PERFORMANCE HIGHLIGHTS

(\$ in Millions, except Per Share Amount)	Q4 2022	Q4 2021	Chg	12M 2022	12M 2021	Chg
Revenue <i>Excl F/X</i>	\$7,012 <i>\$7,393</i>	\$6,296	+11% <i>+17%</i>	\$27,815 <i>\$28,824</i>	\$25,555	+9% <i>+13%</i>
Retail Auto Same-Store Revenue <i>Excl F/X</i>	\$5,620 <i>\$5,949</i>	\$5,432	+4% <i>+10%</i>	\$22,274 <i>\$23,331</i>	\$22,108	+1% <i>+6%</i>
Inc. from Cont. Ops Before Taxes <i>Excl F/X</i>	\$395 <i>\$403</i>	\$420	-6% <i>-4%</i>	\$1,859 <i>\$1,897</i>	\$1,608	+16% <i>+18%</i>
Income from Cont. Ops <i>Excl F/X</i>	\$298 <i>\$304</i>	\$310	-4% <i>-2%</i>	\$1,380 <i>\$1,409</i>	\$1,187	+16% <i>+19%</i>
Earnings Per Share <i>Excl F/X</i>	\$4.21 <i>\$4.30</i>	\$3.97	+6% <i>+8%</i>	\$18.55 <i>\$18.95</i>	\$14.88	+25% <i>+27%</i>

RETAIL AUTOMOTIVE BRAND MIX

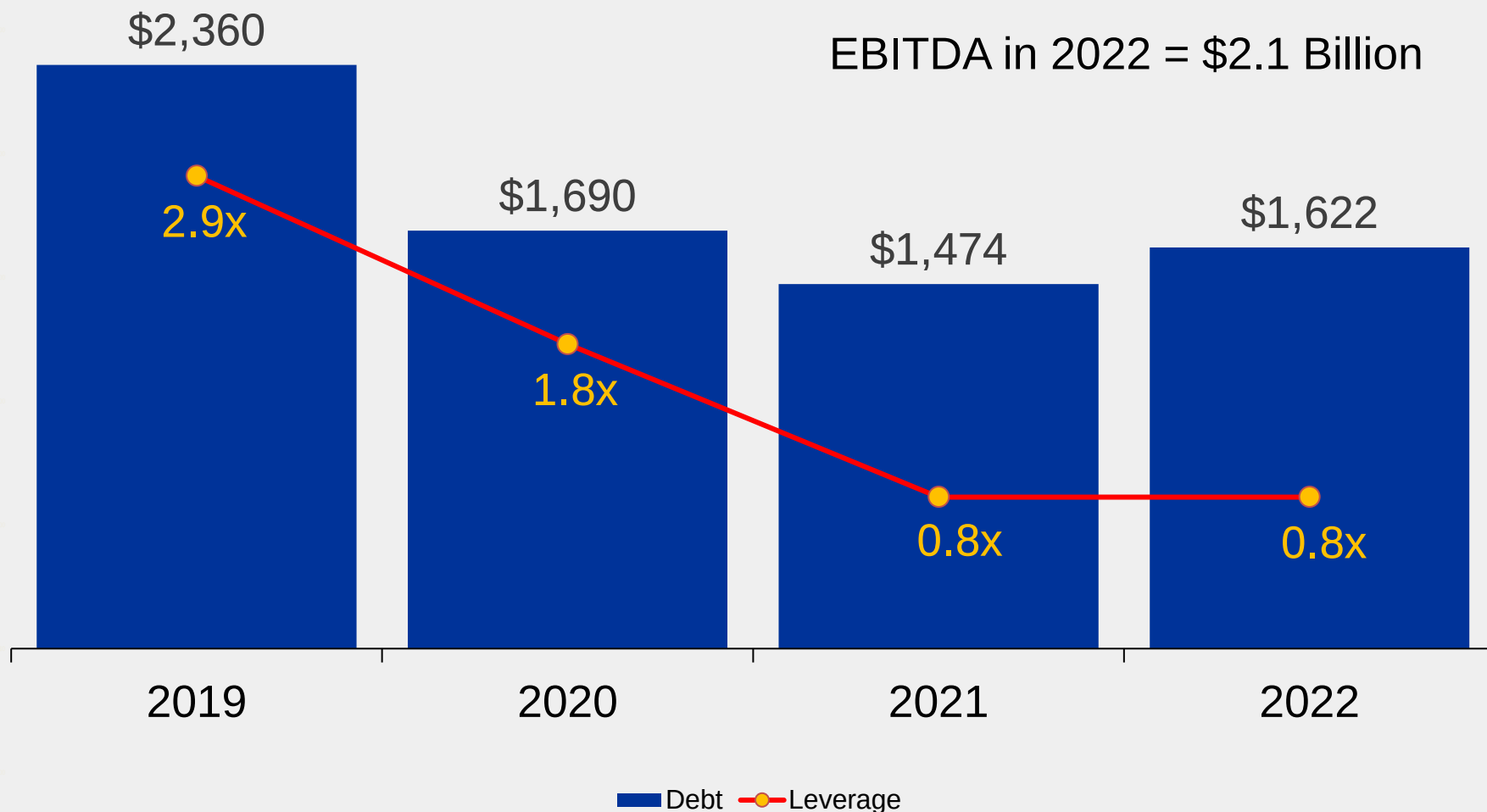
(For twelve months ended December 31, 2022)
(% of Total Worldwide Automotive Dealership Revenue)



- Premium – 71%
- Volume Non-U.S. – 21%
- U.S. – 1%
- CarShop – 7%

LONG TERM DEBT AND LEVERAGE

(USD in Millions)



Refer to non-gaap reconciliation schedules on pages 42-45

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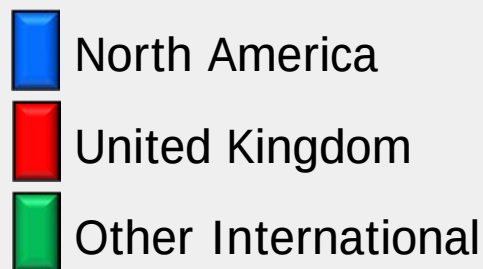
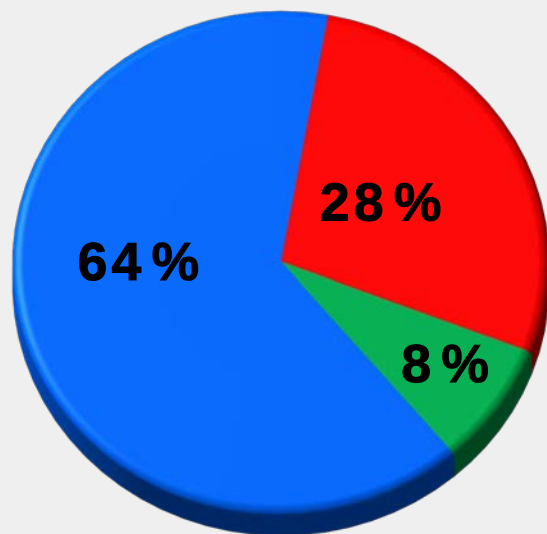
Sustainability & ESG

Non-GAAP

Q4 2022 REVENUE & EBT

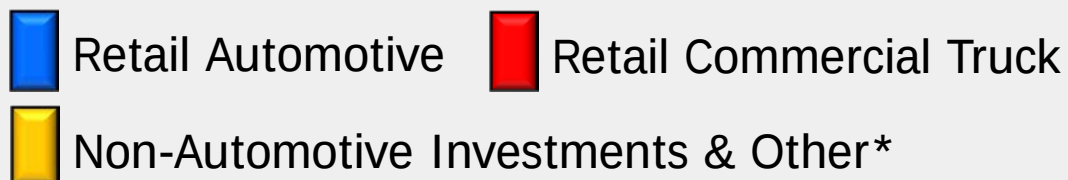
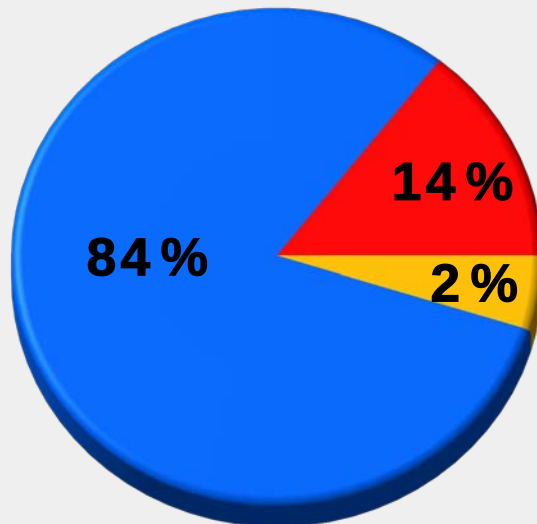
Global Revenue

\$7.0 Billion



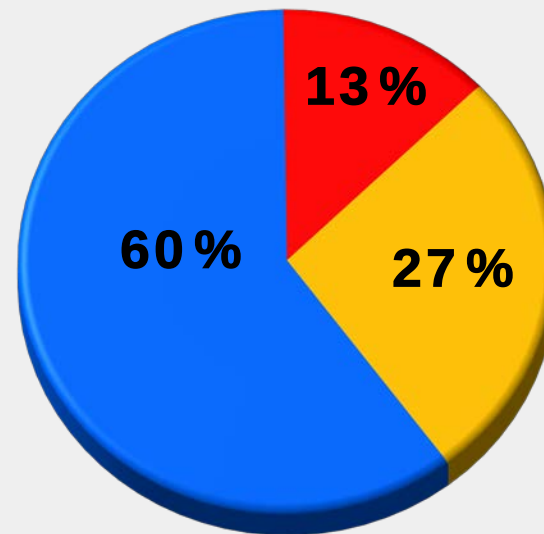
Segment Revenue

\$7.0 Billion



Segment Earnings Before Tax

\$395 Million



*Consists of non-automotive equity method investments which includes our investment in Penske Transportation Solutions and our commercial vehicle and power systems distribution operations

Q4 & 12M RETAIL AUTOMOTIVE KEY METRICS

Same-Store	Q4 '22	Q4 '21	Chg	12M '22	12M '21	Chg
VOLUME METRICS						
New Units	47,323	42,554	+11%	173,936	192,711	-10%
Used Units	<u>55,583</u>	<u>58,078</u>	<u>-4%</u>	<u>247,041</u>	<u>259,489</u>	<u>-5%</u>
Total Units	102,906	100,632	+2%	420,977	452,200	-7%
GROSS PER UNIT						
New <i>Excl F/X</i>	\$6,573 <i>\$6,898</i>	\$7,020	-6% <i>-2%</i>	\$6,693 <i>\$6,947</i>	\$5,309	+26% <i>+31%</i>
Used <i>Excl F/X</i>	\$1,742 <i>\$1,862</i>	\$2,900	-40% <i>-36%</i>	\$2,087 <i>\$2,194</i>	\$2,514	-17% <i>-13%</i>
F&I <i>Excl F/X</i>	\$1,881 <i>\$1,976</i>	\$1,943	-3% <i>+2%</i>	\$1,926 <i>\$2,006</i>	\$1,703	+13% <i>+18%</i>
Var. Vehicle Gross <i>Excl F/X</i>	\$5,845 <i>\$6,154</i>	\$6,585	-11% <i>-7%</i>	\$5,916 <i>\$6,163</i>	\$5,408	+9% <i>+14%</i>

SEQUENTIAL RETAIL AUTOMOTIVE KEY METRICS

Same-Store	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q4 '21
VOLUME METRICS					
New Units	43,804	42,980	41,542	47,323	41,985
Used Units	<u>65,414</u>	<u>66,479</u>	<u>62,395</u>	<u>55,583</u>	<u>55,921</u>
Total Units	109,218	109,459	103,937	102,906	97,816
GROSS PER UNIT					
New <i>Excl F/X</i>	\$6,770 <i>\$6,865</i>	\$6,851 <i>\$7,108</i>	\$6,730 <i>\$7,094</i>	\$6,573 <i>\$6,988</i>	\$6,832 <i>\$6,822</i>
Used <i>Excl F/X</i>	\$2,300 <i>\$2,337</i>	\$2,235 <i>\$2,353</i>	\$2,028 <i>\$2,187</i>	\$1,742 <i>\$1,862</i>	\$2,913 <i>\$2,890</i>
F&I <i>Excl F/X</i>	<u>\$1,932</u> <i>\$1,958</i>	<u>\$1,951</u> <i>\$2,035</i>	<u>\$1,922</u> <i>\$2,039</i>	<u>\$1,881</u> <i>\$1,976</i>	<u>\$1,959</u> <i>\$1,946</i>
Var. Vehicle Gross/Unit <i>Excl F/X</i>	\$6,026 <i>\$6,111</i>	\$5,999 <i>\$6,255</i>	\$5,830 <i>\$6,187</i>	\$5,845 <i>\$6,154</i>	\$6,550 <i>\$6,521</i>

RETAIL AUTOMOTIVE SAME-STORE REVENUE – Q4

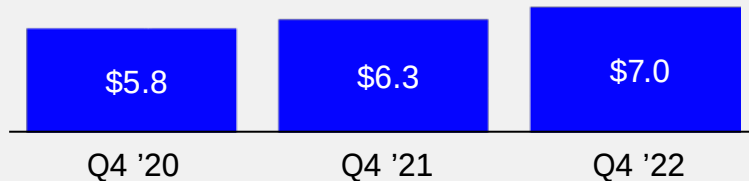
(\$ in Millions)			CHG		Q4 '22 Excl F/X	Q4 '21 Excl F/X	CHG	
	Q4 '22	Q4 '21	(\$)	(%)			(\$)	(%)
New Vehicle	\$2,619	\$2,324	+\$295	+13%	\$2,747	\$2,324	+\$423	+18%
Used Vehicle	\$1,909	\$2,087	-\$178	-9%	\$2,053	\$2,087	-\$34	-2%
F&I	\$194	\$196	-\$2	-1%	\$203	\$196	+\$7	+4%
Service & Parts	\$591	\$557	+\$34	+6%	\$620	\$557	+\$63	+11%
Fleet & Wholesale	<u>\$307</u>	<u>\$268</u>	<u>+\$39</u>	<u>+15%</u>	<u>\$326</u>	<u>\$268</u>	<u>+\$58</u>	<u>+22%</u>
TOTAL	\$5,620	\$5,432	+\$188	+4%	\$5,949	\$5,432	+\$517	+10%

RETAIL AUTOMOTIVE SAME-STORE REVENUE – 12M

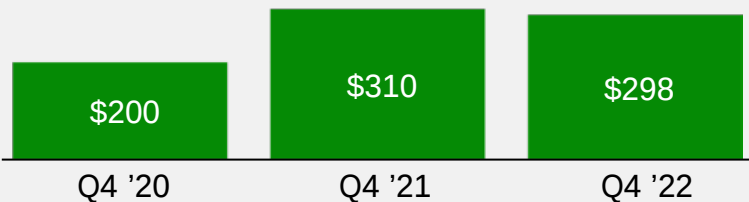
(\$ in Millions)	12M '22	12M '21	CHG (\$)(%)		12M '22 Excl F/X	12M '21 Excl F/X	CHG (\$)(%)	
New Vehicle	\$9,399	\$9,678	-\$279	-3%	\$9,776	\$9,678	+\$98	+1%
Used Vehicle	\$8,528	\$8,380	+\$148	+2%	\$9,029	\$8,380	+\$649	+8%
F&I	\$811	\$770	+\$41	+5%	\$844	\$770	+\$74	+10%
Service & Parts	\$2,273	\$2,130	+\$143	+7%	\$2,358	\$2,130	+\$228	+11%
Fleet & Wholesale	<u>\$1,263</u>	<u>\$1,150</u>	<u>+\$113</u>	<u>+10%</u>	<u>\$1,323</u>	<u>\$1,150</u>	<u>+\$173</u>	<u>+15%</u>
TOTAL	\$22,274	\$22,108	+\$166	+1%	\$23,330	\$22,108	+\$1,222	+6%

PAG PERFORMANCE SUMMARY

Q4 Total Revenue (\$ in Billions)



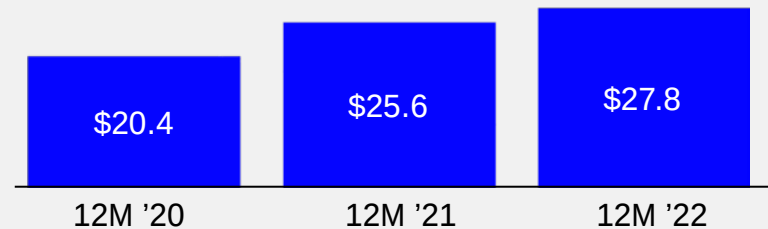
Q4 Income (\$ in Millions)



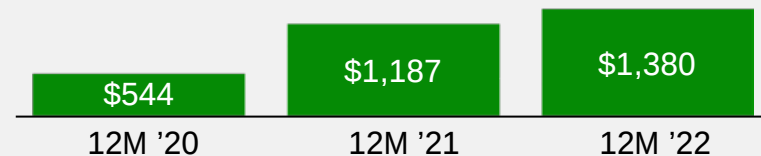
Q4 Earnings Per Share



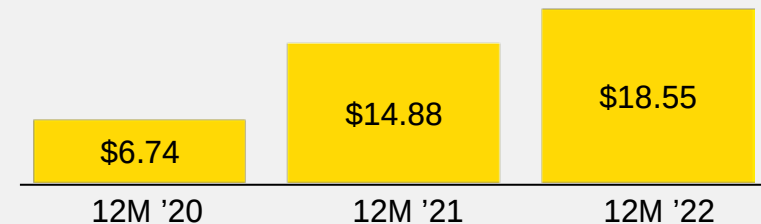
12M Total Revenue (\$ in Billions)



12M Income (\$ in Millions)



12M Earnings Per Share





STAND ALONE USED

- Operate stand-alone used vehicle centers across U.S./U.K.
- One price; no haggle approach
- In-store or 100% on-line

	Q4 '22	Q4 '21	Chg %	12M '22	12M '21	Chg %
Units	14,028	14,815	-5%	71,242	63,403	+12%
Revenue (\$ in Millions)	\$336	\$394	-15%	\$1,726	\$1,483	+16%
Avg Trans Price	\$20,250	\$21,953	-8%	\$20,136	\$19,549	+3%
Var. Gross/Unit	\$2,095	\$2,655	-21%	\$2,108	\$2,592	-19%



PREMIER TRUCK GROUP

- Largest dealership group for Daimler Trucks N.A.
- Retails new and used Freightliner and Western Star Trucks
- 39 locations across North America
- Service and parts gross profit provides 65% of total gross profit in Q4 2022
- 5.3% return on sales in Q4
- Q4 fixed cost absorption 128%

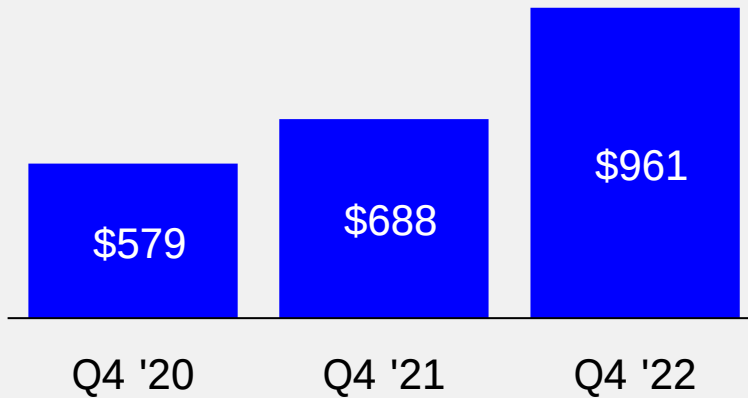
Q4 & 12M 2022 RETAIL COMMERCIAL TRUCK KEY METRICS

Same-Store	Q4 '22	Q4 '21	CHG	12M '22	12M '21	CHG
VOLUME METRICS						
New Units	4,789	3,530	+36%	14,078	10,983	+28%
Used Units	<u>498</u>	<u>808</u>	<u>-38%</u>	<u>2,115</u>	<u>3,191</u>	-34%
TOTAL	5,287	4,388	+22%	16,193	14,174	+14%
GROSS PER UNIT						
New	\$6,414	\$6,471	-1%	\$7,225	\$6,628	+9%
Used	\$8,526	\$18,914	-55%	\$8,064	\$13,872	-42%
F&I	\$740	\$1,113	-34%	\$1,060	\$1,135	-7%

PTG PERFORMANCE SUMMARY

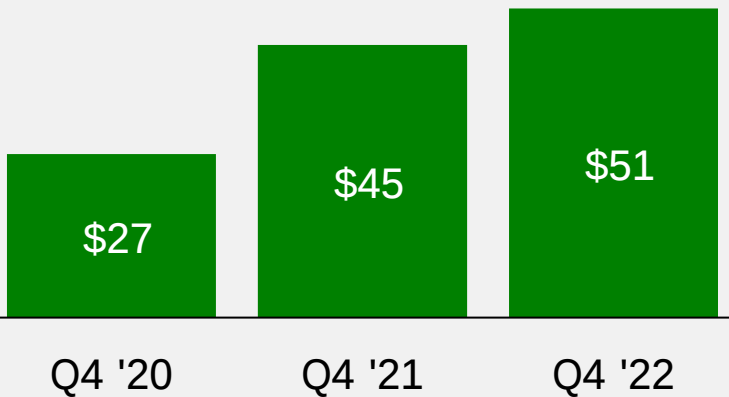
Q4 Total Revenue

(\$ in Millions)



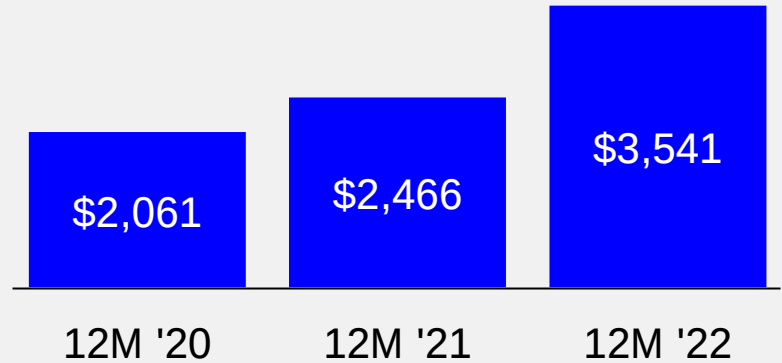
Q4 Earnings Before Taxes

(\$ in Millions)



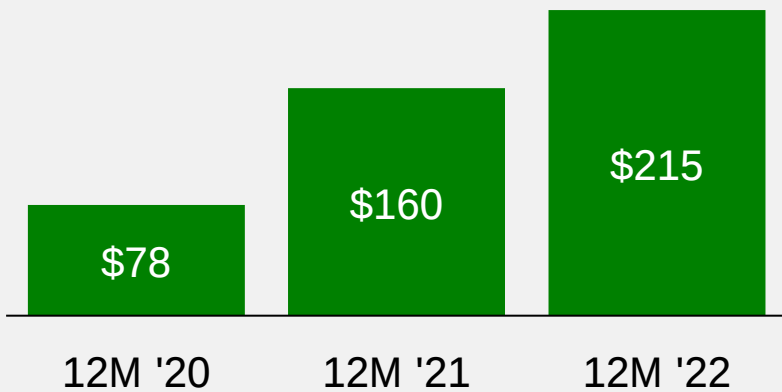
12M Total Revenue

(\$ in Millions)



12M Earnings Before Taxes

(\$ in Millions)



PENSKE AUSTRALIA

Exclusive importer and distributor of certain heavy/medium-duty trucks, buses and refuse collection vehicles; distributor of diesel/gas engines and power systems across Australia, New Zealand and portions of the Pacific

- Western Star, MAN, Dennis Eagle
- MTU, Detroit Diesel, Allison Transmission, and Bergen engines
- Parts & service gross profit over 80% of total gross profit



On-Highway



Power Systems



Defense



Mining

(in millions of US \$)	Q4 '22	Q4 '21	Chg	12M '22	12M '21	Chg
Revenue	\$140.7	\$133.7	+5.2%	\$579.1	\$575.6	+1.0%
EBT	\$6.9	\$10.3	-33%	\$35.8	\$34.5	+3.8%



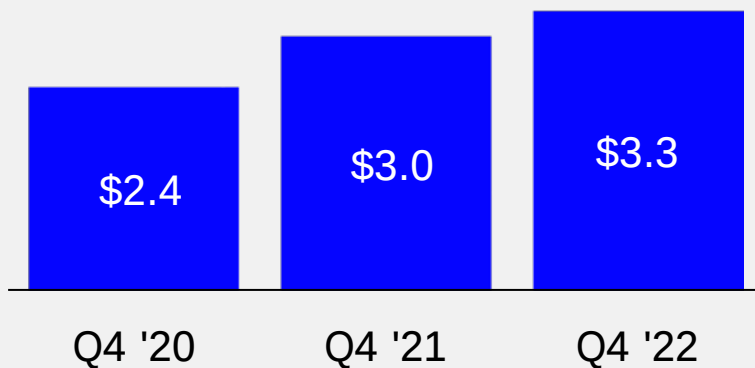
PENSKE TRANSPORTATION SOLUTIONS

- Managed fleet of over 414,500 trucks, tractors and trailers
 - Fleet goal of 500,000 by 2025
- Q4 2022 Highlights:
 - Revenue of \$3.3 billion, +13%
 - Record net income of \$344 million, +9%
 - Return on sales 10%
- PAG recorded equity income from PTS investment of \$99.4 million in Q4 2022, +9%
- For full year 2022, PAG received \$357 million in cash dividends

PTS PERFORMANCE SUMMARY

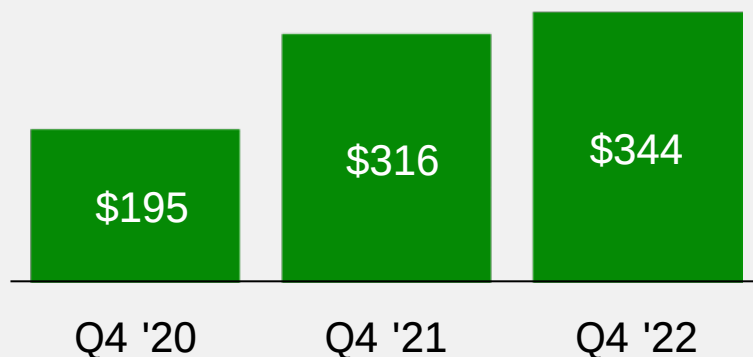
Q4 Total Revenue

(\$ in Billions)



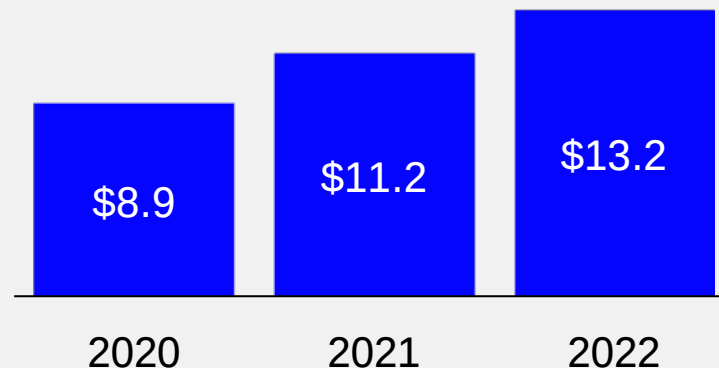
Q4 Income

(\$ in Millions)



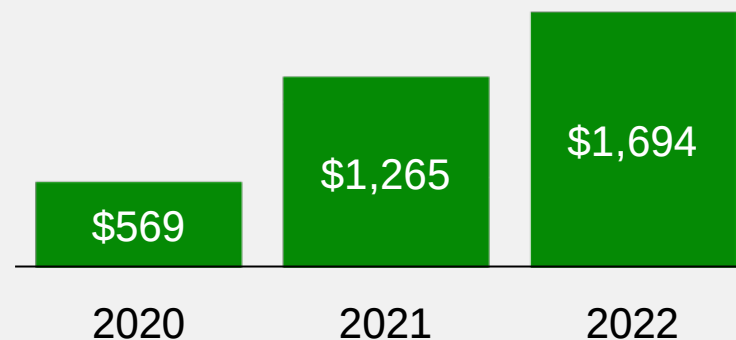
12M Total Revenue

(\$ in Billions)



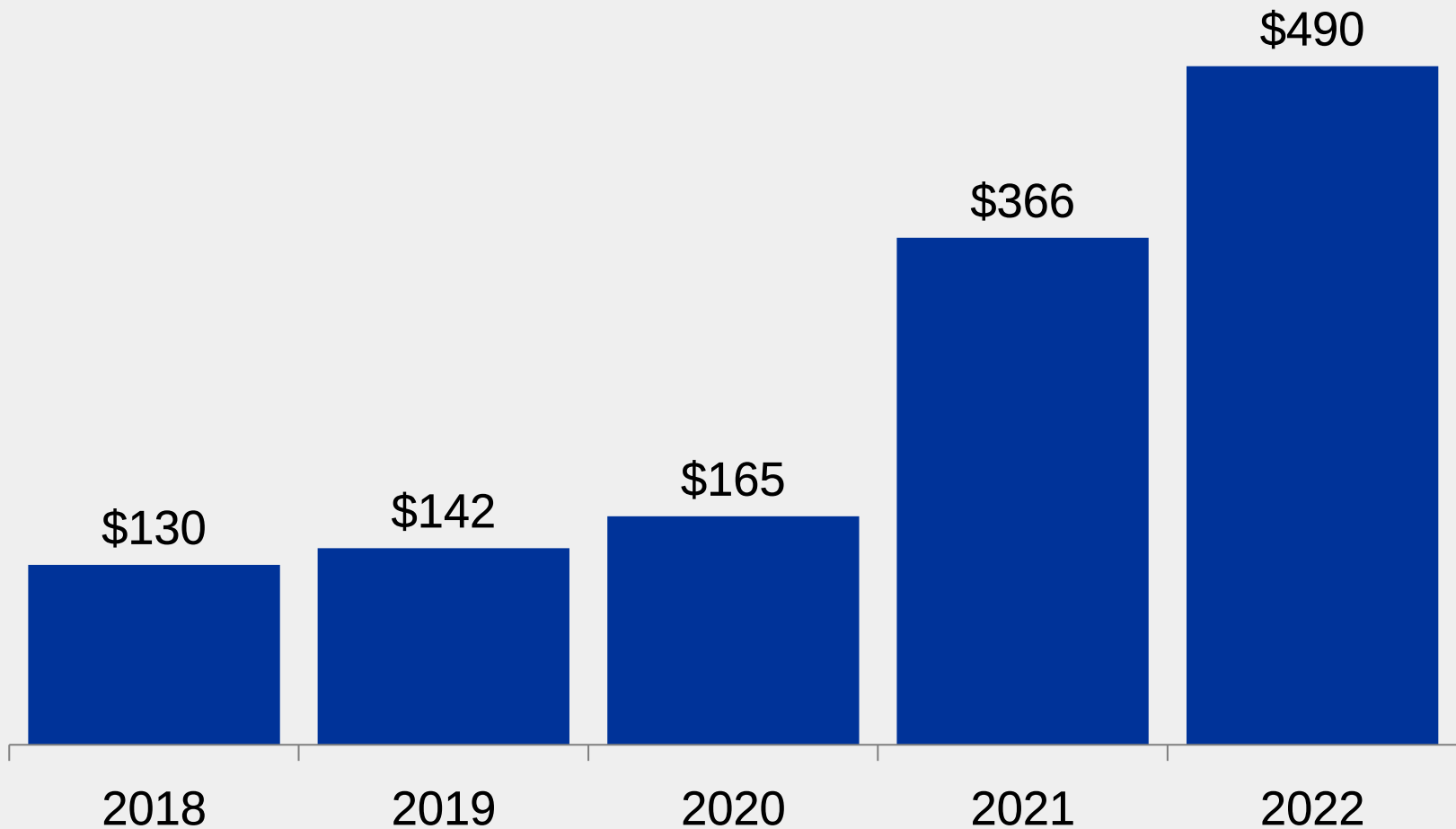
12M Income

(\$ in Millions)



PTS EARNINGS CONTRIBUTION – FULL YEAR 2018 - 2022

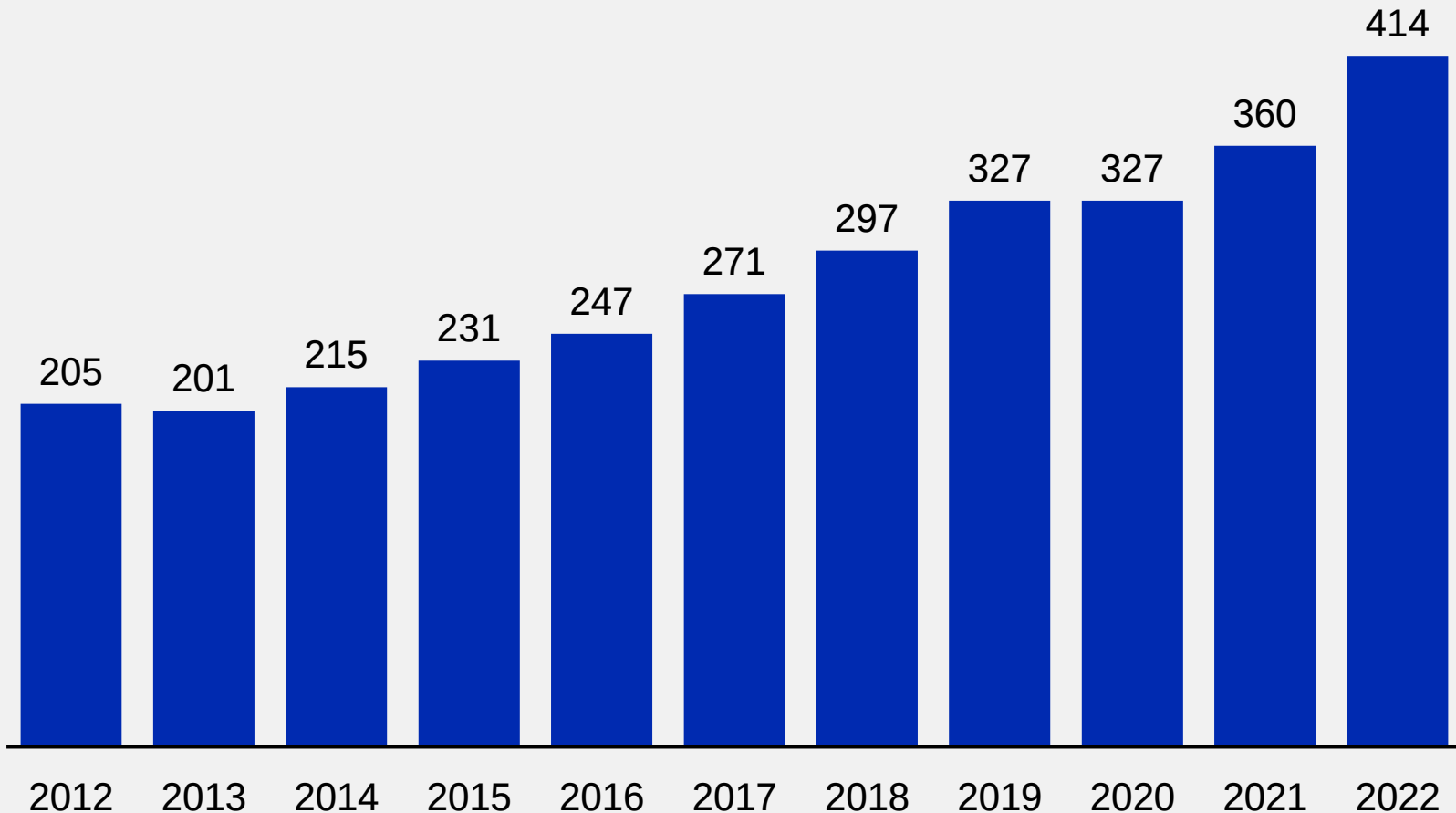
(\$ in millions)



PTS FLEET GROWTH

(Units in Thousands)

Managed fleet consists of trucks, tractors and trailers



PTS STRATEGIC OPPORTUNITIES

An **expert voice** in transportation & logistics



Data & Digital



Alternative
Energy



Autonomy



Clean
Transportation



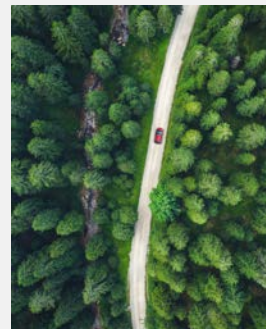
Complexity



Resilience



Visibility



Sustainability

The **provider of choice** for
care and use of vehicles.

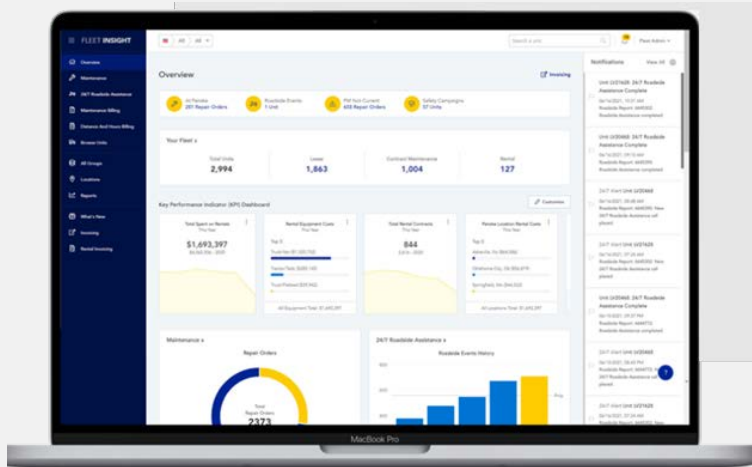
The **provider of choice** for
management of supply
chains.

PTS CONNECTED DATA & DIGITAL LEADERSHIP

- Unique Market Position
- Industry's Leading Data Platform
- Data into Useful Digital Tools
- Remote Diagnostics
- Vehicle Recovery
- Proactive/Predictive Diagnostics
- Guided Repair

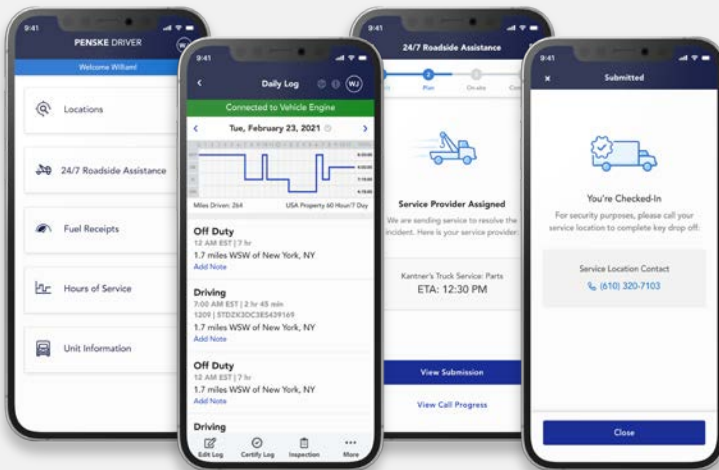


PTS CUSTOMER APPLICATIONS & TOOLS



Penske Driver™

- Meets ELD mandate for rental drivers
- 16,700+ unique monthly users



Fleet Insight™

- Fleet data in real-time and all in one place
- 13,500+ unique monthly users



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GLOBAL REPUTATION FOCUS

**TOP-DOWN FOCUS ON EXCELLENT CUSTOMER SERVICE
DRIVES POSITIVE REPUTATION SCORES**

**U.S. FRANCHISE
LOCATIONS**

4.6

Lifetime Avg. Google
Star Rating

**UNITED
KINGDOM**

4.4

Lifetime Avg. Google
Star Rating

**CARSHOP
GLOBAL**

4.5

Lifetime Avg. Google
Star Rating

U.S. RETAIL STORES LEAD IN ONLINE REPUTATION

1,302

Q4 Avg. Google
Reviews per Store

4.63

Q4 Avg. Google
Star Rating per Store

4.64

Lifetime Avg. Google
Star Rating per Store

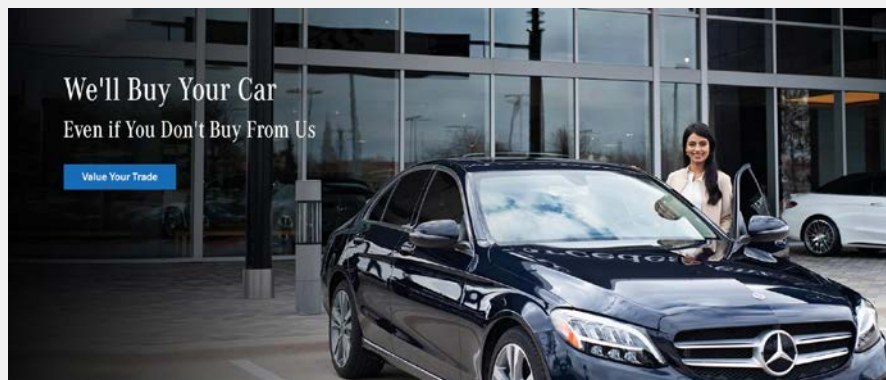
- Top-down focus on excellent customer service and satisfaction drives high performing online reputation
- Over 93% of Q4 Google reviews were positive
- 126 PAG dealers awarded 2022 CARFAX Top-Rated Dealer accolade
 - 4.7 overall rating with over 56,150 verified reviews



VEHICLE SOURCING

Trade/Sell Opportunities

- Vehicle evaluation tools available on every dealer website
- Trade-ins, lease returns, off-street purchases directly from consumers



Self-Sourced	2022 FY
U.S. Franchised	86%
U.K. Franchised	86%
CarShop U.S.	73%
CarShop U.K.	37%



U.S. DIGITAL RETAILING

Preferred Purchase

- Current platform on our franchise websites where an OEM solution is not yet offered
- Offers a hybrid model so customers can shop however they choose

OEM Programs

- Benefit from OEM marketing
- Leading technology
- Enables “Buy online” from OEM sites
- Integration with the captive finance
- Consistency around the brand experience to support the customer journey

Ongoing End-to-End Testing

- Testing fully end-to-end solutions in both Franchise and CarShop businesses to evaluate process and customer adoption

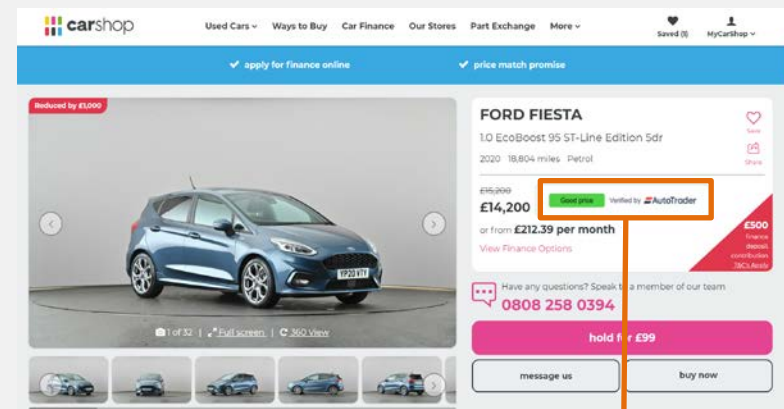
BROWSE – BUY – CONNECT (U.K.)

Buy & Reserve Online (www.sytner.co.uk)

- Reserve for £99 allowing customer to choose pick-up dealership
- Buy online via fully integrated finance application or by card
- Omnichannel approach enabling customers to shop how they choose

CarShop Platform (www.carshop.co.uk)

- Investment/optimization continues into existing platform to support improved customer experience
 - Introduced a 'verified price' badge to enhance customer confidence

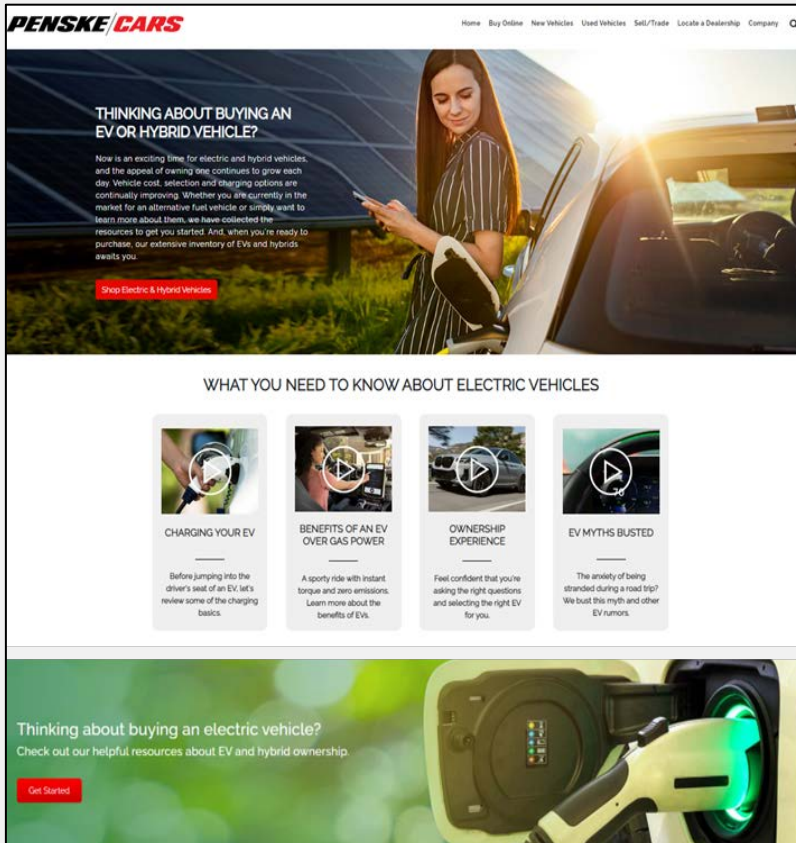


Verified
Price
Indicator

Online Features/Tools

- Hold for £99 with transfer between stores optional
- Buy online via finance with instant approval or by card
- Guaranteed trade-in valuation

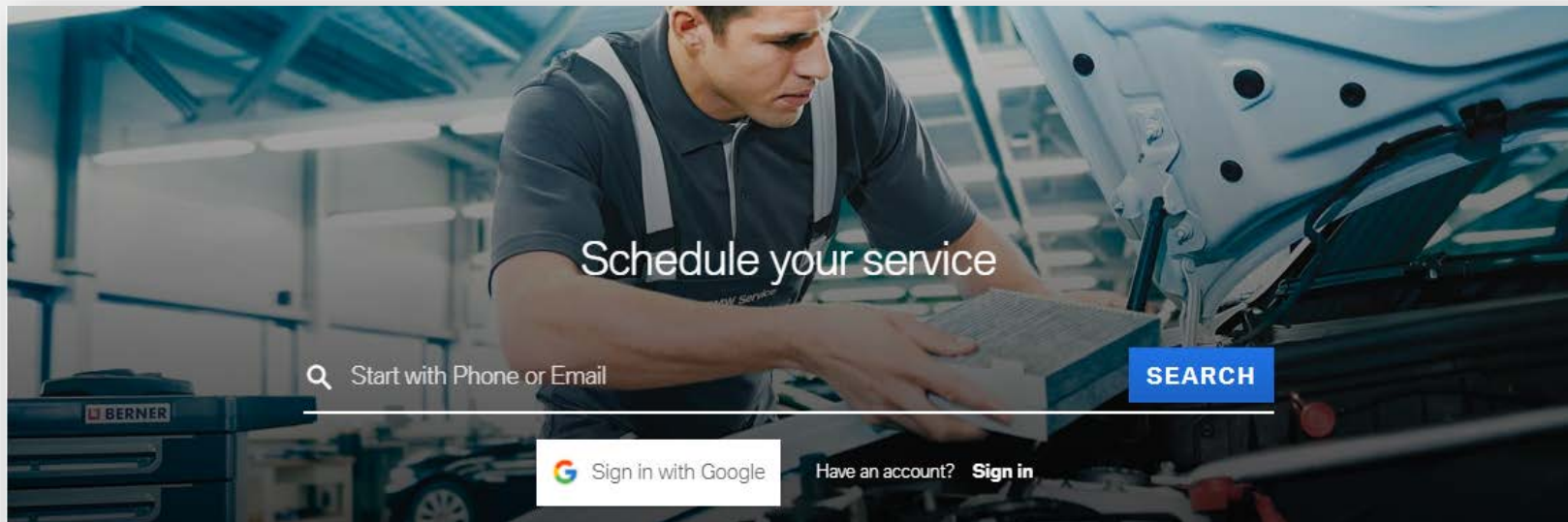
HYBRID/ELECTRIC FOCUS



- Use of web platforms to educate consumers on hybrid/EV and drive business
- Page view traffic increased 75% over Q3 2022
- Includes feature page and videos on PenskeCars.com
 - EV ownership tips
 - Potential incentives
 - Dynamic charging station map
 - Inventory links across page
- Featured shopping inventory button on home page

ONLINE SERVICE APPOINTMENTS

- 520,000 online/BDC appointments scheduled in Q4 2022, +10%
- 37,000 service appointments made through AI



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Digital Marketing/Retailing

Sustainability and ESG

Non-GAAP



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

- We focus our ESG efforts where we can have the most positive impact on our business and society
- Including issues related to:
 - Community Participation
 - Environmental Sustainability
 - Human Capital
 - Investor Outreach
- Published our second ESG report; www.penskeautomotive.com/esg
- Our 2022 report is
 - Responsive to the Sustainability Accounting Standards Board (SASB) and Multiline & Speciality Distributors sector standard
 - Includes additional disclosures responsive to the framework established by the Task Force on Climate-Related Financial Disclosures

PARALYZED VETERANS OF AMERICA

- Partnering with PVA since 2015
- PAG matches donations from customers and team to the PVA
- Contributed more than \$8.5 MM raised through 2022
- Donations go directly to supporting veterans with spinal cord injuries and diseases through specialized care, accessible vehicles and homes, and jobs



The graphic features the Paralyzed Veterans of America logo on the left, which includes a silhouette of a person in a wheelchair. To the right of the logo is the Penske Automotive logo. Below these logos, the text 'SERVICE MATTERS' is prominently displayed in large, bold, red capital letters, followed by 'Proud Supporter Since 2015' in smaller black text. At the bottom, a paragraph states: 'Join our mission to ensure disabled veterans are ABLE to access what they've earned and deserve: CARE, JOBS & BENEFITS. Donations will be matched by Penske Automotive up to \$500,000.' The right side of the graphic is partially covered by a close-up image of the American flag.

Paralyzed Veterans of America

PENSKE
Automotive

SERVICE MATTERS
Proud Supporter Since 2015

Join our mission to ensure disabled veterans are ABLE to access what they've earned and deserve: CARE, JOBS & BENEFITS.
Donations will be matched by Penske Automotive up to \$500,000.

An aerial view of a Toyota dealership in Palm Beach. The building is white with a red Toyota logo and the word "TOYOTA" in red. To the left, an American flag flies on a tall pole. The word "RECEPTION" is visible on the building's facade. To the right, "PALM BEACH" is written above a glass entrance. Several cars are parked in the lot, including a white SUV and a blue sedan. The foreground shows a paved area and some greenery.

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CONSOLIDATED NON-GAAP RECONCILIATIONS

The following tables reconcile reported income from continuing operations and earnings per share to adjusted income from continuing operations and adjusted earnings per share for the three and twelve months ended December 31, 2022 and 2021

(\$ in millions, except per share amounts)

	Q4 '22	Q4 '21	% Chg	12M '22	12M '21	% Chg
Income from Cont. Ops	\$298.0	\$310.4	(4.0%)	\$1,380.0	\$1,186.5	16.3%
Tax legislation changes ⁽¹⁾	--	\$1.0	nm	--	\$10.8	nm
Loss on investment for revaluation ⁽²⁾	--	\$9.1	nm	--	\$9.1	nm
Debt redemption costs ⁽³⁾	--	--	nm	--	\$12.6	nm
Adj. Income From Cont. Ops	\$298.0	\$320.5	(7.0%)	\$1,380.0	\$1,219.0	13.2%

	Q4 '22	Q4 '21	% Chg	12M '22	12M '21	% Chg
Earnings Per Share from Cont. Ops	\$4.21	\$3.97	6.0%	\$18.55	\$14.88	24.7%
Tax legislation changes ⁽¹⁾	--	\$0.01	Nm	--	\$0.13	nm
Loss on investment for revaluation ⁽²⁾	--	\$0.12	Nm	--	\$0.11	nm
Debt redemption costs ⁽³⁾	--	--	Nm	--	\$0.16	nm
Adj. Earnings Per Share From Cont. Ops	\$4.21	\$4.10	2.7%	\$18.55	\$15.28	21.4%

The following table reconciles income from continuing operations before taxes (EBT) to adjusted income from continuing operations before taxes (EBT) for the three and twelve months ended December 31, 2022 and 2021

	Q4 '22	Q4 '21	% Chg	12M '22	12M '21	% Chg
Income from Cont. Ops Before Taxes	\$394.8	\$420.3	(6.1%)	\$1,859.2	\$1,607.7	15.6%
Loss on investment for revaluation ⁽²⁾	--	\$11.4	nm	--	\$11.4	nm
Debt redemption costs ⁽³⁾	--	--	nm	--	\$17.0	nm
Adj. Income From Cont. Ops Before Taxes	\$394.8	\$431.7	(8.5%)	\$1,859.2	\$1,636.1	13.6%

(1) For the three and twelve months ended December 31, 2021, represents a revaluation of our U.K. deferred tax assets and liabilities due to an increase in the U.K. corporate tax rate from 19% currently to 25%, effective April 1, 2023

(2) Loss on investment for the revaluation of the Nicole Group

(3) Related to expenses in connection with the redemption of our 5.5% senior subordinated notes due 2026 in 2021

EBITDA AND ADJUSTED EBITDA RECONCILIATION

The following tables reconcile reported net income to earnings before interest, taxes, depreciation, and amortization ("EBITDA") and adjusted EBITDA for the three and twelve months ended December 31, 2022 and 2021

(\$ in Millions)	Three Months Ended December 31,		2022 vs 2021	
	2022	2021	Change	% Change
Net Income	\$299.3	\$312.9	(\$13.6)	(4.3%)
Add: Depreciation	\$32.2	\$31.8	\$0.4	1.3%
Other Interest Expense	\$19.0	\$14.8	\$4.2	28.4%
Income Taxes	\$95.5	\$108.3	(\$12.8)	(11.8%)
Income from Disc Operations (net of tax)	--	(\$0.9)	\$0.9	nm
EBITDA	\$446.0	\$466.9	(\$20.9)	(4.5%)
Add: Loss on investment for revaluation ⁽¹⁾	--	\$11.4	(\$11.4)	nm
Add: Debt redemption costs ⁽²⁾	--	--	--	nm
Adjusted EBITDA	\$446.0	\$478.3	(\$32.3)	(6.8%)

(\$ in Millions)	Twelve Months Ended December 31,		2022 vs 2021	
	2022	2021	Change	% Change
Net Income	\$1,386.2	\$1,192.7	\$193.5	16.2%
Add: Depreciation	\$127.3	\$121.5	5.8	4.8%
Other Interest Expense	\$70.4	\$68.6	1.8	2.6%
Income Taxes	\$473.0	\$416.3	56.7	13.6%
Income from Disc Operations (net of tax)	--	(\$1.3)	1.3	nm
EBITDA	\$2,056.9	\$1,797.8	\$259.1	14.4%
Add: Loss on investment for revaluation ⁽¹⁾	--	\$11.4	(\$11.4)	nm
Add: Debt redemption costs ⁽²⁾	--	\$17.0	(\$17.0)	nm
Adjusted EBITDA	\$2,056.9	\$1,826.2	\$230.7	12.6%

nm = not meaningful

(1) Loss on investment for the revaluation of the Nicole Group

(2) Related to expenses in connection with the redemption of our 5.50% senior subordinated notes due 2026 in 2021

EBITDA, ADJ. EBITDA & LEVERAGE RATIO RECONCILIATION

The following table reconciles EBITDA, Adj. EBITDA and Leverage Ratio as of December 31, 2022, 2021, 2020 and 2019

(\$ in Millions)	12M '22	12M '21	12M '20	12M '19
Net Income	\$1,386.2	\$1,192.7	\$ 545.3	\$ 435.1
Add: Depreciation	\$127.3	\$ 121.5	\$ 115.5	\$ 109.6
Add: Other Interest	\$70.4	\$ 68.6	\$ 11.0	\$ 124.2
Add: Income Taxes	\$473.0	\$ 416.3	\$ 162.7	\$ 156.7
Add: (Income)/Loss From Disc. Ops	--	(\$1.3)	(\$0.4)	(\$0.3)
EBITDA	\$2,056.9	\$1,797.8	\$ 934.1	\$ 825.3
Less: Net gain on dealership sales	--	---	(\$5.2)	---
Add: Loss on investment from revaluation ⁽¹⁾	--	\$ 11.4	---	---
Add: Debt redemption costs ⁽²⁾	--	\$ 17.0	\$ 8.6	--
Adjusted EBITDA	\$2,056.9	\$1,826.2	\$ 937.5	\$ 825.3
Total Non-Vehicle Long-Term Debt	\$1,622.2	\$1,474.0	\$1,690.0	\$2,360.0
Leverage Ratio	0.8x	0.8x	1.8x	2.9x

(1) Loss on investment for the revaluation of the Nicole Group

(2) Related to expenses in connection with the redemption of our 5.5% senior subordinated notes due 2026 in 2021



Automotive