



SECOND QUARTER 2023 FINANCIAL RESULTS

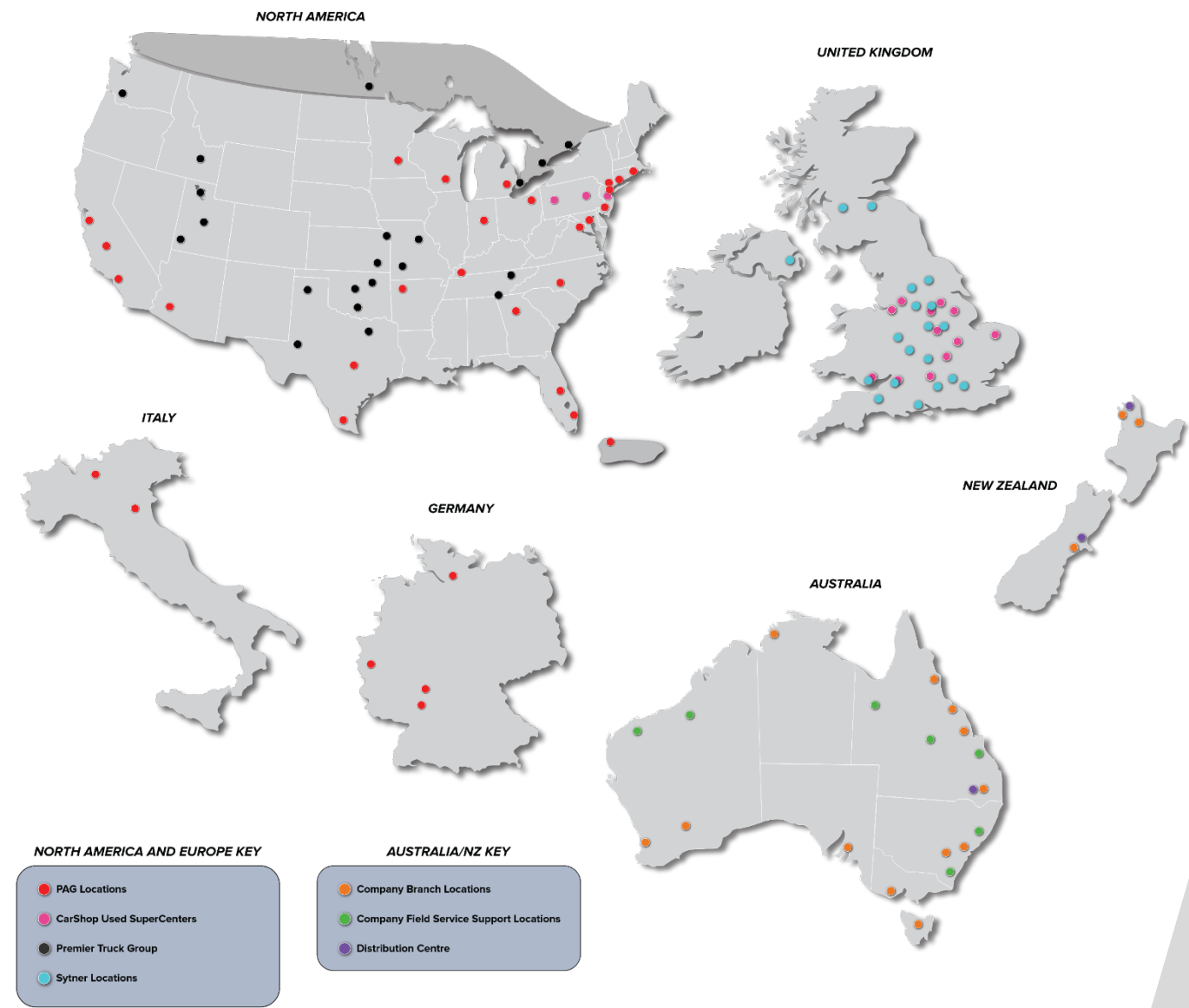
July 2023



FORWARD-LOOKING STATEMENT 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 vehicle components, the war in Ukraine, challenges in sourcing labor or labor strikes, or work stoppages, 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 effects of a pandemic on the global economy, including our ability to react effectively to changing business conditions in light of any 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, potential decreases in the resale value of used vehicles which may affect PTS' ability to sell its used vehicles after the expiration of its customers' leases or at the end of the holding period for rental vehicles, which may affect PTS' profitability 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 the sales process, or 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, 2022, its Form 10-Q for the three months ended March 31, 2023 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.

COMPANY OVERVIEW



A Diversified Transportation Services Company

Headquartered in Bloomfield Hills, MI USA

As of June 30, 2023:

27,000+	\$14.8B	
Employees worldwide	6M YTD '23 revenue	
337	4	9
Retail automotive franchised dealerships	Continents	Countries

Markets in North America			Markets Outside of North America	
148	7	44	189	13
Automotive franchised dealerships	CarShop used vehicle locations	Commercial truck locations	Automotive franchised dealerships	CarShop used vehicle locations



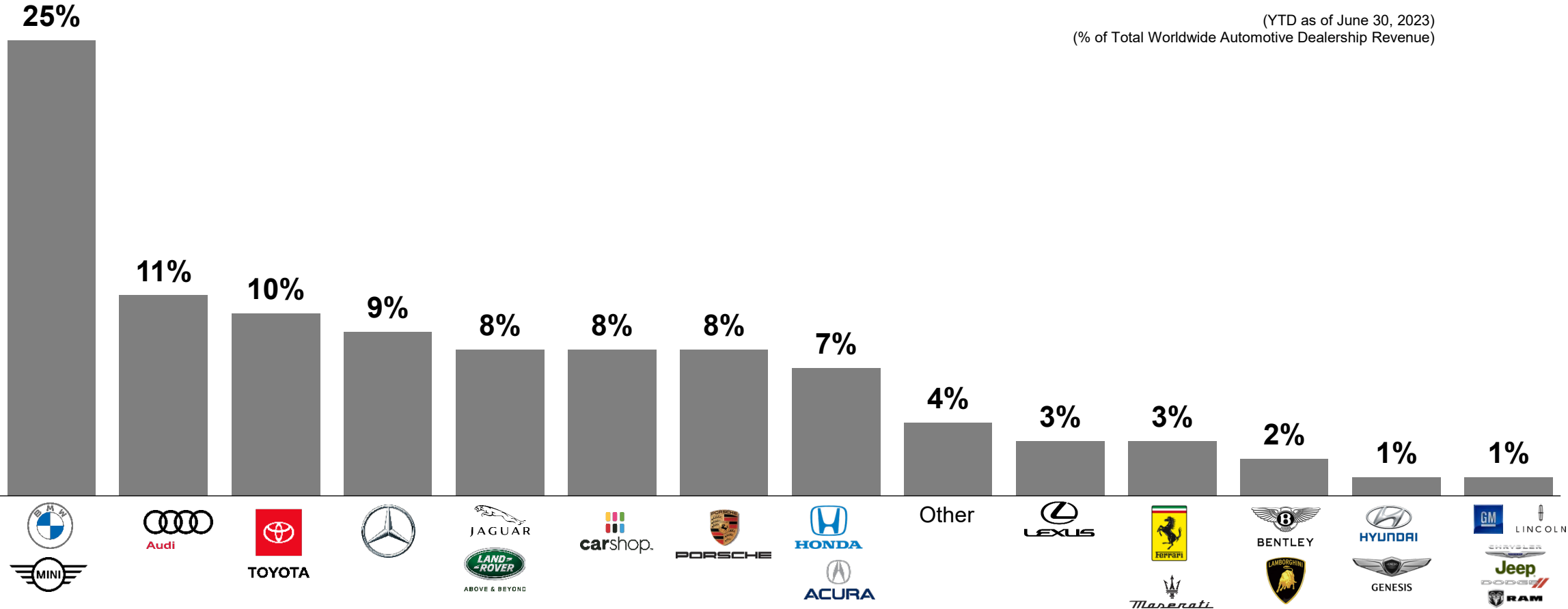
RETAIL AUTOMOTIVE BRAND MIX

71%
Premium

20%
Volume Non-U.S.

1%
U.S.

8%
CarShop



CAPITAL ALLOCATION HISTORY



(In Millions)

Dividends	\$121	\$131	\$68	\$143	\$154
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Cap Ex	\$306	\$245	\$186	\$249	\$283
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Stock Repurchases, including net share settlements	(In Thousands)				
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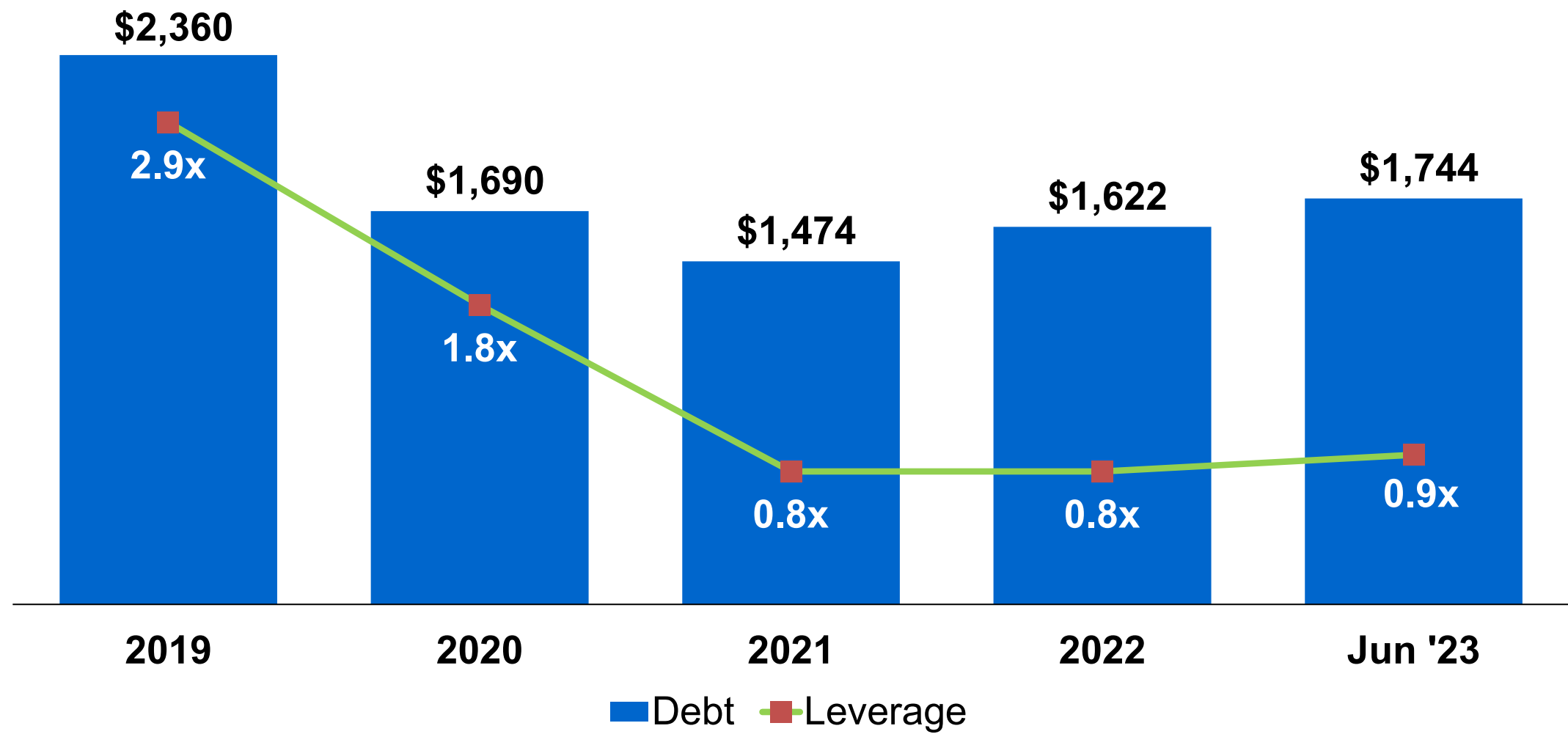
Shares	1,587	3,987	1,028	3,262	8,214
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Amount	\$75	\$174	\$35	\$294	\$887
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Acquisitions	\$309	\$327	---	\$432	\$393
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HISTORICAL LONG-TERM DEBT AND LEVERAGE

(USD in Millions)



Refer to non-gaap reconciliation schedules on pages 37-39



**Q2 2023 &
6M 2023
REVIEW**



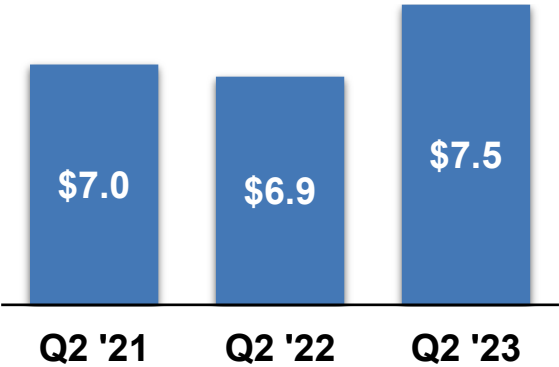
(\$ in millions, except EPS)	Reported
Revenue	\$7,469
EBT	\$400
Net Income	\$301
Earnings Per Share	\$4.41

- Second quarter revenue; increased 8% compared to Q2 2022
- SG&A as a percent of gross profit was 67.4%, improved 10 bps sequentially
- SG&A as a percentage to gross profit is 1,050 bps lower than (2019) pre-pandemic level
- Street EPS estimate for Q2 2023 is \$4.16

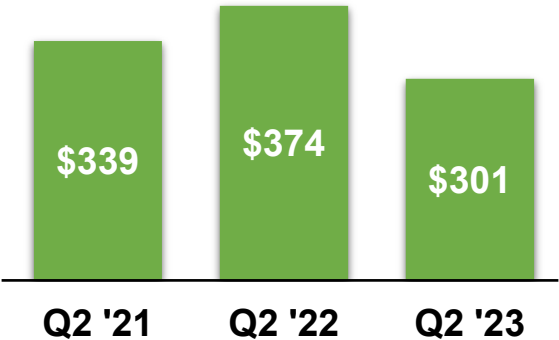
Q2 2023 TAKEAWAYS

PAG PERFORMANCE SUMMARY

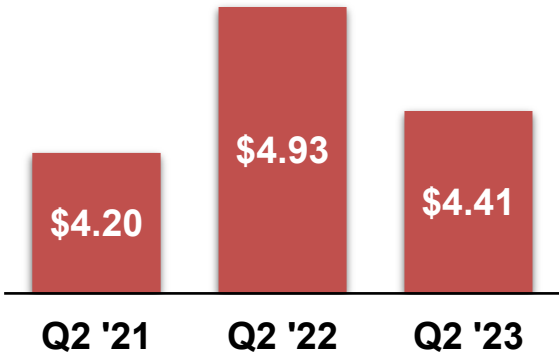
Q2 Total Revenue (\$ in Billions)



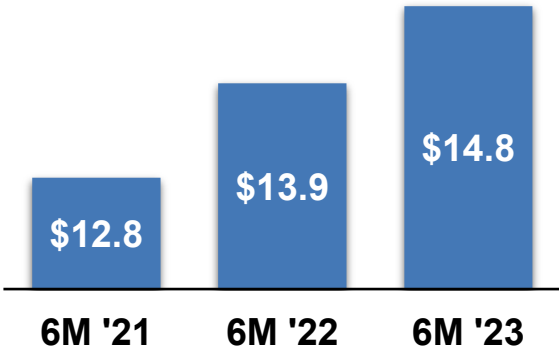
Q2 Income (\$ in Millions)



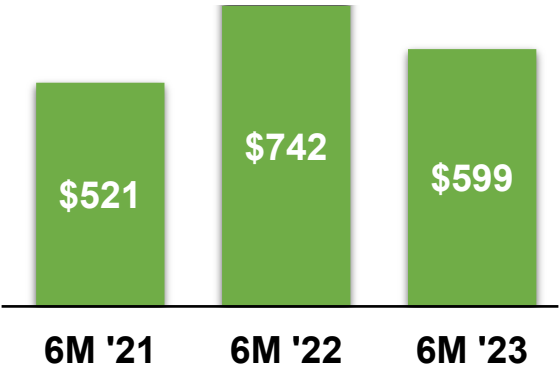
Q2 EPS



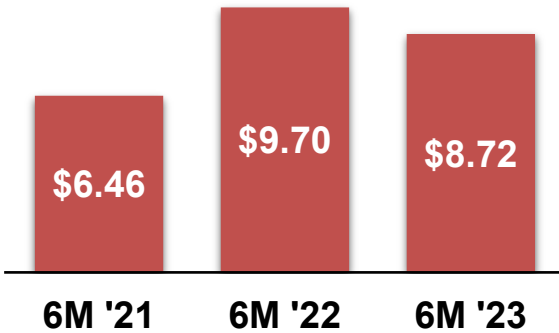
6M Total Revenue (\$ in Billions)



6M Income (\$ in Millions)



6M EPS



Q2 KEY HIGHLIGHTS

Retail Automotive

- Total same-store units delivered (including Agency) increased 6% to 120,203
- Same-store revenue performance compared to Q2 '22:

	<u>Reported</u>
New Veh	+15%
Used Veh	-4%
F & I	-4%
Svc/Parts	+11%
Fleet/Whsl	<u>+3%</u>
Total	+6%

- Same-store variable vehicle gross profit (excluding agency) of \$5,646 down \$337/unit

Retail Commercial Trucks

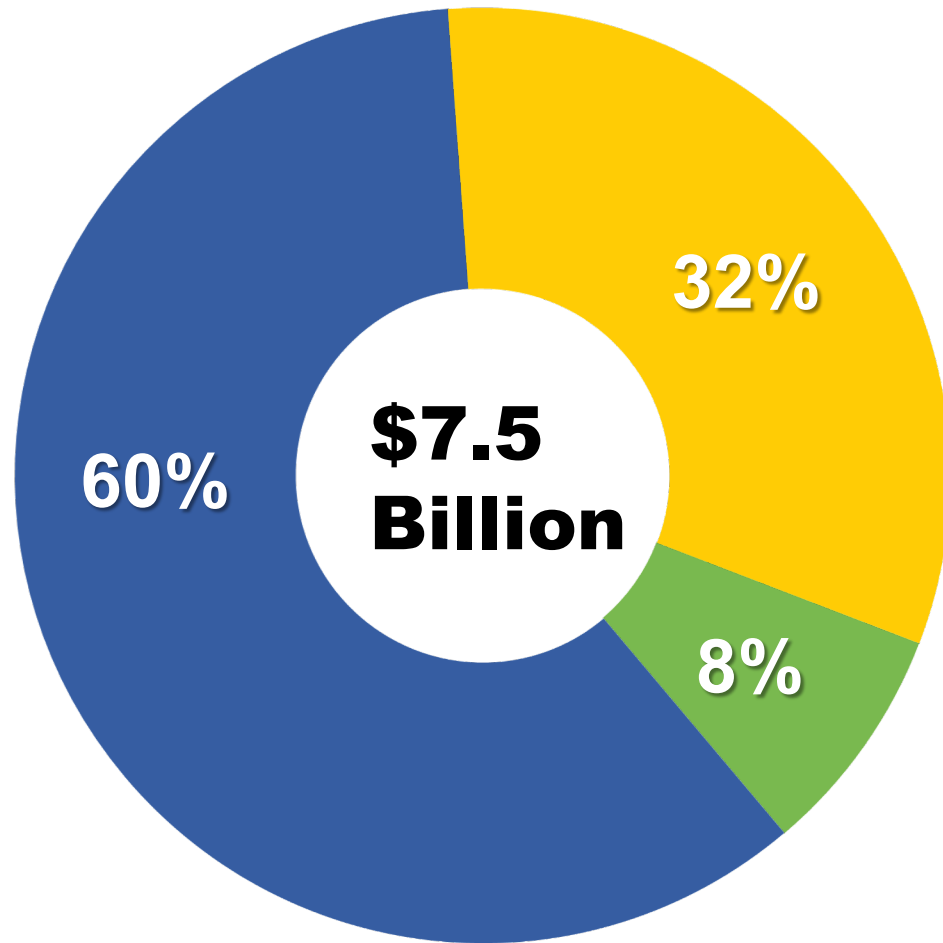
- Retailed 5,243 new & used trucks, +26%; same-store units +25%
- Same-store revenue +19%
- Same-store service & parts revenue +4%
- Fixed cost absorption of 128%
- EBT \$56 million; +6%

Capital Allocation

- Increased dividend 9% in July to \$0.72 or 26%, in 2023
- Share repurchases:
 - Q2 '23 1.7 million shares for \$240 million
 - Last 18 months repurchased 10.8 million shares for \$1.2 billion
 - 6M 2023, 2.6 million shares repurchased for \$350 million

Penske Transportation Solutions

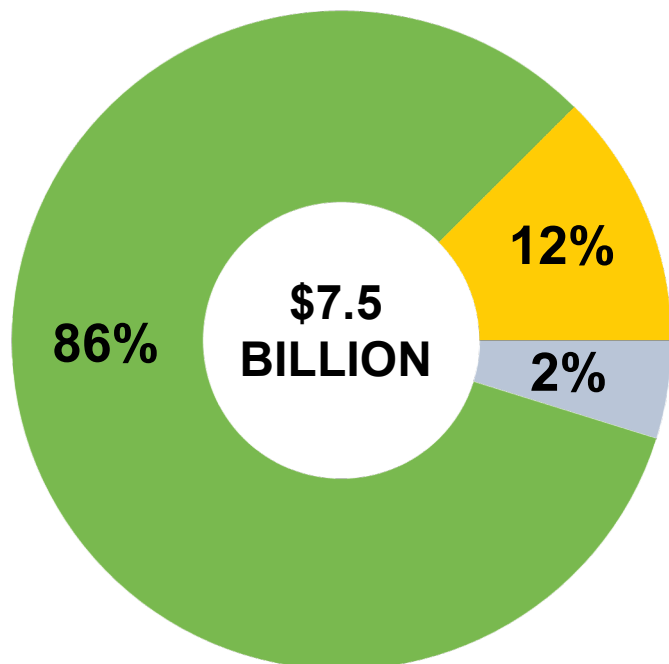
- Generated \$73.3 million in equity earnings in Q2 2023 and \$154.1 million for the six months ended June 30, 2023
- Year-to-date, PAG received \$90.1 million in cash distributions from PTS



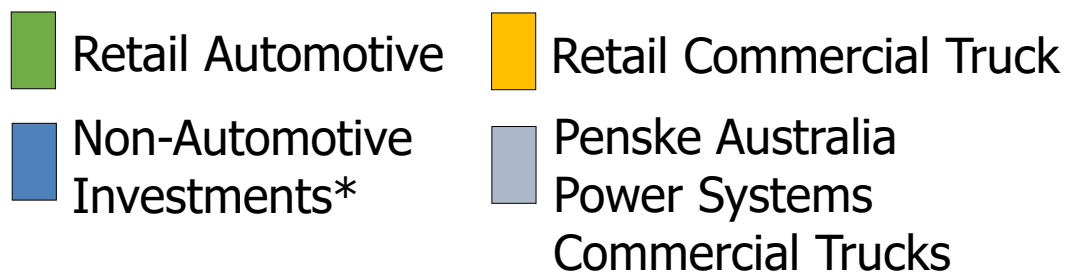
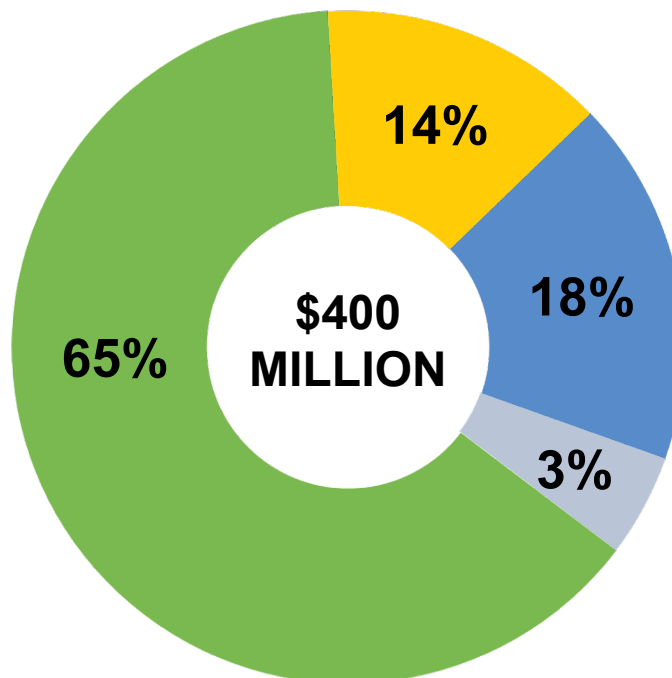
- North America
- United Kingdom
- Other International

Q2 2023 GLOBAL REVENUE

SEGMENT REVENUE



SEGMENT EBT



Q2 2023 REVENUE & EBT BY SEGMENT

*Consists of non-automotive equity method investments which includes our investment in Penske Transportation Solutions

Q2 & 6M PERFORMANCE HIGHLIGHTS

(\$ in Millions, except Per Share Amount)	Q2 '23	Q2 '22	Chg	6M '23	6M '22	Chg
Revenue <i>Excl F/X</i>	\$7,469 \$7,492	\$6,907	+8% +8%	\$14,808 \$15,129	\$13,882	+7% +9%
Retail Auto Same-Store Revenue <i>Excl F/X</i>	\$6,264 \$6,271	\$5,919	+6% +6%	\$12,282 \$12,551	\$11,826	+4% +6%
Inc. from Cont. Ops Before Taxes <i>Excl F/X</i>	\$400 \$400	\$500	-20% -20%	\$807 \$818	\$997	-19% -18%
Income from Cont. Ops <i>Excl F/X</i>	\$301 \$301	\$374	-20% -20%	\$599 \$607	\$742	-19% -18%
Earnings Per Share <i>Excl F/X</i>	\$4.41 \$4.42	\$4.93	-11% -10%	\$8.72 \$8.84	\$9.70	-10% -9%

RETAIL AUTOMOTIVE KEY METRICS

Same-Store	Q2 '23	Q2 '22	Chg	6M '23	6M '22	Chg
VOLUME METRICS						
New Units*	48,923	44,920	+9%	94,403	89,282	+6%
Used Units	<u>63,726</u>	<u>68,921</u>	<u>-8%</u>	<u>128,555</u>	<u>135,390</u>	<u>-5%</u>
Total	112,649	113,841	-1%	222,958	224,672	-1%
Agency Units	<u>7,554</u>	---	---	<u>13,428</u>	---	---
Total Units	120,203	113,841	+6%	236,386	224,672	+5%
GROSS PER UNIT*						
New	\$6,298	\$6,880	-9%	\$6,358	\$6,906	-8%
Used	\$1,902	\$2,230	-15%	\$1,861	\$2,268	-18%
F&I	\$1,834	\$1,918	-4%	\$1,812	\$1,928	-6%
Var. Vehicle Gross	\$5,646	\$5,983	-6%	\$5,577	\$6,039	-8%

*Excluding agency

RETAIL AUTOMOTIVE SAME-STORE REVENUE

	Q2 '23	Q2 '22	CHG	6M '23	6M '22	CHG
New Vehicle	\$2,782	\$2,417	+15%	\$5,395	\$4,814	+12%
Used Vehicle	\$2,270	\$2,353	-4%	\$4,461	\$4,722	-6%
F&I	\$209	\$218	-4%	\$409	\$433	-6%
Service & Parts	\$653	\$590	+11%	\$1,289	\$1,167	+10%
Fleet & Wholesale	<u>\$350</u>	<u>\$341</u>	<u>+3%</u>	<u>\$728</u>	<u>\$690</u>	<u>+6%</u>
TOTAL	\$6,264	\$5,919	+6%	\$12,282	\$11,826	+4%

CARSHOP USED VEHICLES





carshop

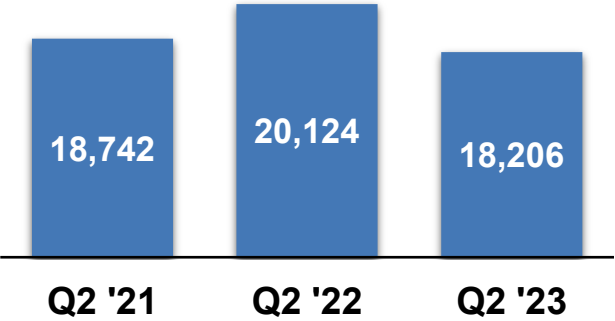


- Operate 20 used vehicle centers across U.S./U.K.
- One price; no haggle approach
- In-store or 100% on-line

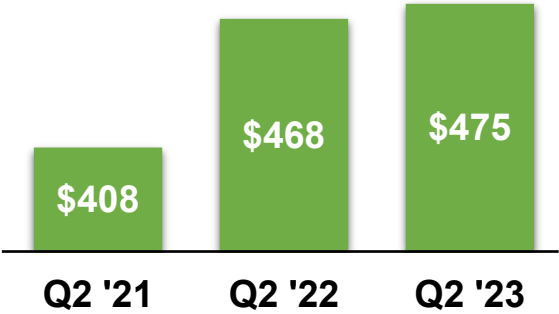
PERFORMANCE SUMMARY



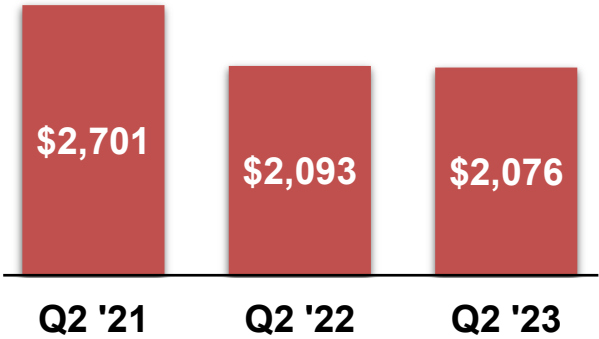
Q2 Units



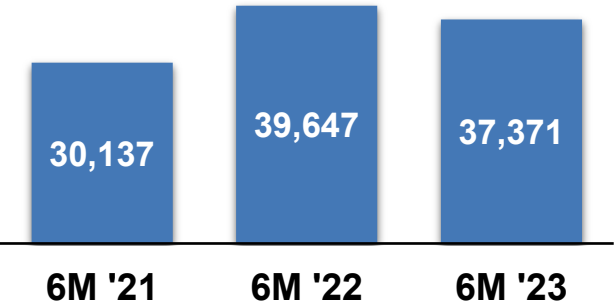
Q2 Revenue (\$ in Millions)



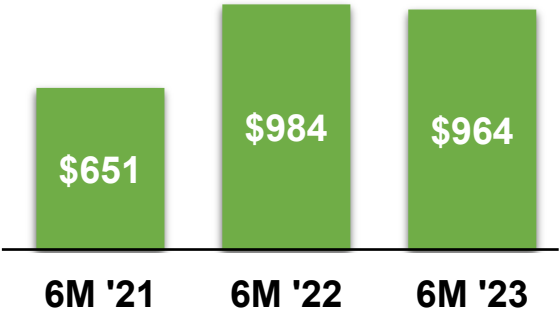
Q2 Gross/Unit



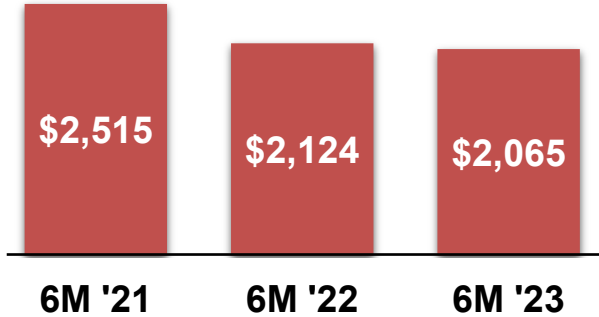
6M Units



6M Revenue (\$ in Millions)



6M Gross/Unit



PREMIER TRUCK GROUP



PREMIER TRUCK GROUP

- One of the largest dealership group's for Daimler Trucks N.A.
- Retails new and used Freightliner and Western Star Trucks
- Acquired Transolution Truck Centres in the greater Winnipeg, Manitoba market area with 5 locations
- 44 locations across North America
- Retailed over 10,400 new and used units 6M 2023, +18%
- Service and parts gross profit provides 66% of total gross profit for 6M YTD 2023
- 6M YTD 2023 EBT of \$113 million, +2%
- Fixed cost absorption 128%



RETAIL COMMERCIAL TRUCK KEY METRICS

Same-Store	Q2 '23	Q2 '22	Chg	6M '23	6M '22	Chg
VOLUME METRICS						
New Units	4,510	3,531	+28%	8,610	7,175	+20%
Used Units	<u>701</u>	<u>643</u>	<u>+9%</u>	<u>1,327</u>	<u>1,464</u>	-9%
TOTAL	5,211	4,174	+25%	9,937	8,639	+15%
GROSS PER UNIT						
New	\$8,211	\$7,504	+9%	\$7,665	\$7,493	+2%
Used	\$5,733	\$9,133	-37%	\$6,886	\$14,713	-53%
F&I	\$958	\$1,082	-12%	\$976	\$1,238	-21%

PENSKE AUSTRALIA / NEW ZEALAND



PENSKE AUSTRALIA/NEW ZEALAND



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 approximately 80% of total gross profit

(in millions of US \$)	Q2 '23	Q2 '22	CHG	6M '23	6M '22	CHG
Revenue	\$143	\$141	+1%	\$287	\$295	-3%
EBT	\$10.5	\$9.0	+17%	\$22.7	\$19.7	+15%

PENSKE AUSTRALIA POWER SYSTEMS

PRIME POWER - WAITSIA



BERGEN GAS POWER STATION



MINING



**PENSKE
TRANSPORTATION
SOLUTIONS**



PENSKE TRANSPORTATION SOLUTIONS (PTS)

Penske Truck Leasing



Truck
Rental

Full-Service
Leasing

Contract
Maintenance

Used
Trucks

Penske Logistics Services



Dedicated
Contract
Carriage

Distribution
Center
Management

Freight
Management
& Brokerage

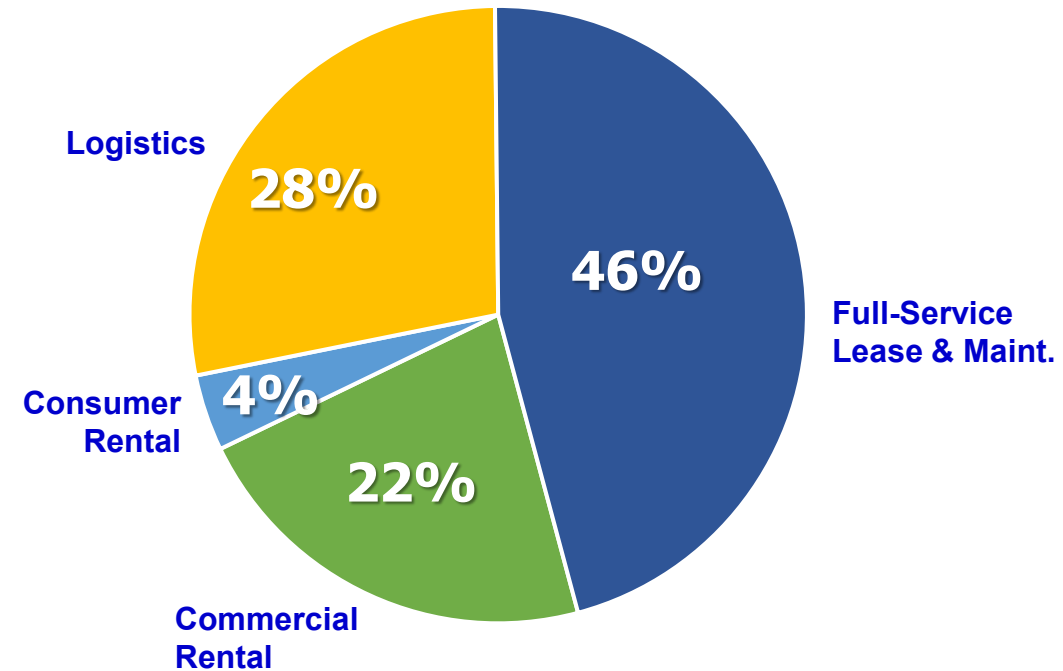
Professional
Services

PTS HIGHLIGHTS

- Managed fleet of over 431,000 trucks, tractors and trailers
 - Fleet goal of 500,000 by 2025
- Q2 2023 Highlights:
 - Operating revenue of \$2.7 billion, +6%
 - Net income of \$253 million, -46%
 - Return on sales 7.5%
- 6M 2023 Highlights:
 - Operating revenue of \$5.3 billion, +8%
 - Net income of \$533 million, -40%
 - Return on sales 10%
- PAG recorded equity income from PTS investment of \$154 million for the six months ended June 30, 2023

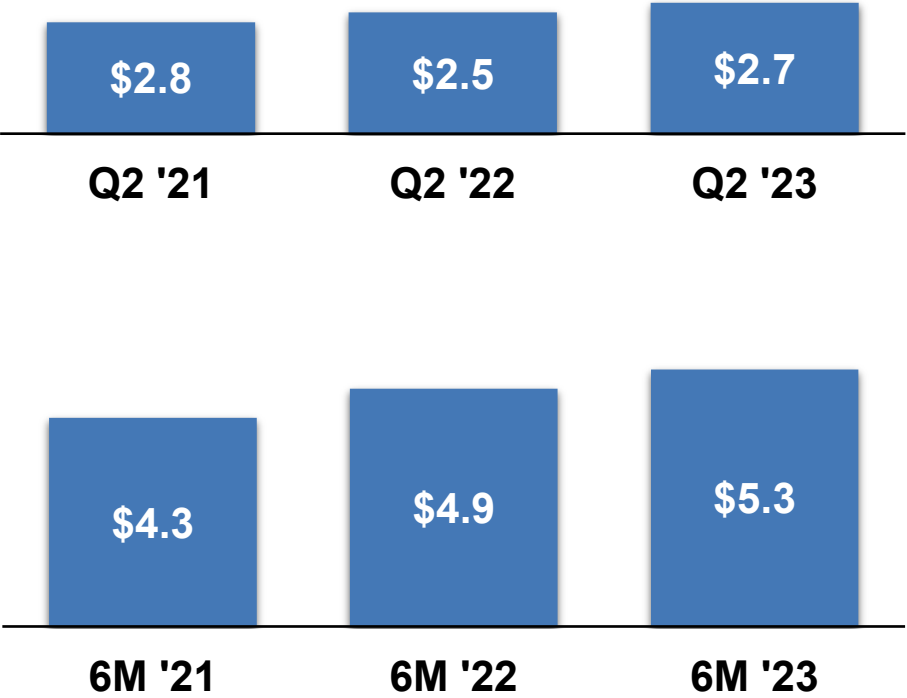
OPERATING REVENUE

(For the three months ended June 30, 2023)

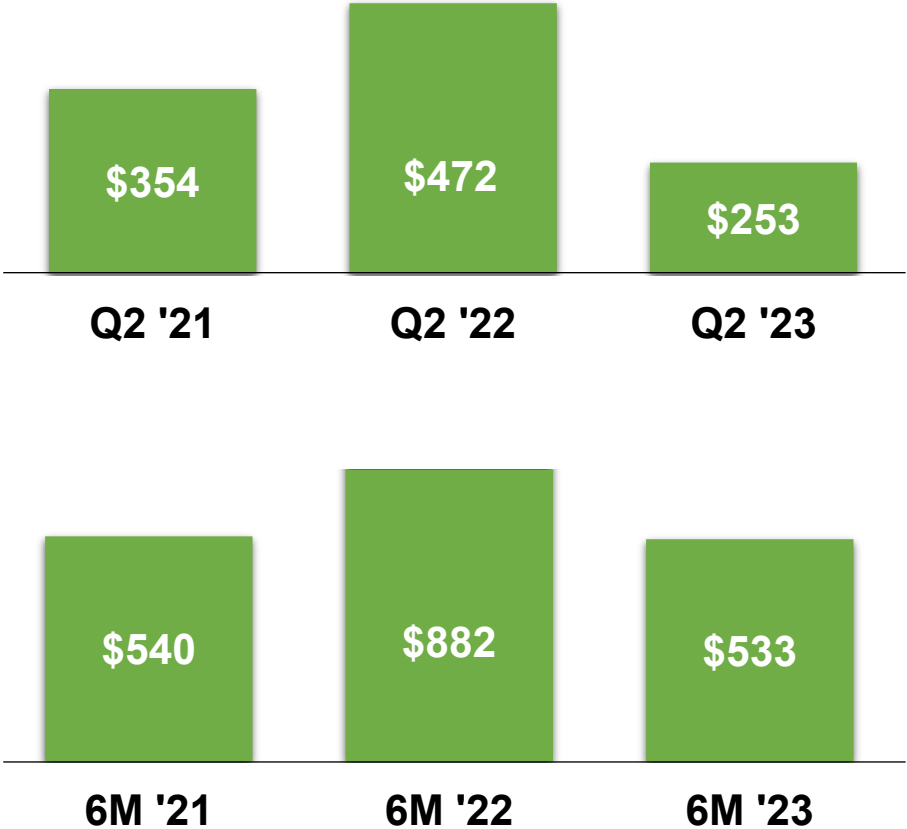


PTS PERFORMANCE SUMMARY

Operating Revenue (\$ in Billions)



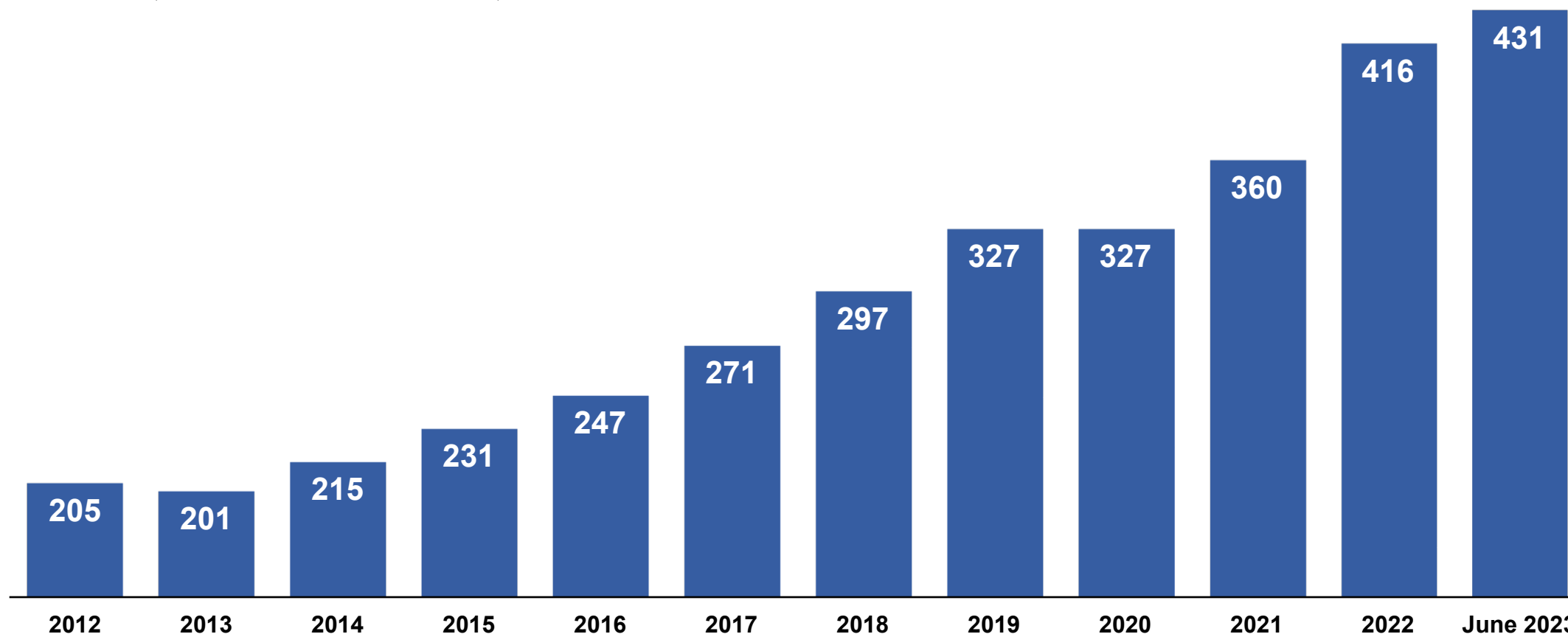
Income (\$ in Millions)



PTS FLEET GROWTH

Managed fleet consists of trucks, tractors and trailers under lease, rental and/or maintenance contracts

(Units in Thousands, amounts as of 12/31 unless otherwise noted)



OMNI CHANNEL & DIGITAL



SPECTRUM OF RETAIL OPERATIONS

100% Online

100% In-Store



End-to-End Platform

CarShop USA

Integrated end-to-end platform



OEM Programs

OEM powered solutions for brand integration

Benefit from OEM marketing

Leading technology

Enables "Buy online" from OEM sites

Integration with captive finance

Consistency around brand experience



Digital Retailing

Enabling customers to shop how they choose

Preferred Purchase (US)
Flexible buying – Buy online, in-store, or hybrid

Browse-Buy-Connect (UK)
Reserve for £99, customer chooses pick-up location

Buy online via fully integrated finance app or by card



In-Store

In-person transaction at the dealership

Work directly with trained industry professionals

Offers superior customer experience

DIGITIZING SALES AND SERVICE

SALES

Hybrid Purchase Process
Through Dealer Websites

Immersive Chat and Text
(AI to human-powered)

Virtual Test Drives and
Vehicle Walkarounds

Trade/Sell Valuations
Online

Online Credit Application

Remote Signing



SERVICE

AI Service Scheduling

Immersive Chat and Text
(AI to human-powered)

Photo
Estimating

Vehicle Status Videos

Digital Service Approvals

NON-GAAP RECONCILIATIONS



EBITDA RECONCILIATION

The following tables reconcile reported net income to earnings before interest, taxes, depreciation, and amortization (“EBITDA”) for the three months ended June 30, 2023 and 2022

(\$ in Millions)	Three Months Ended June 30,		Change 2023 vs 2022	
	2023	2022	\$	%
Net Income	\$302.6	\$375.9	(\$73.3)	-20%
Add: Depreciation	\$34.1	\$31.7	\$2.4	+8%
Other Interest Expense	\$24.2	\$17.0	\$7.2	+42%
Income Taxes	<u>\$97.7</u>	<u>\$123.7</u>	<u>(\$26.0)</u>	-21%
EBITDA	\$458.6	\$548.3	(\$89.7)	-16%

EBITDA & LEVERAGE RATIO RECONCILIATION

The following table reconciles EBITDA and the leverage ratio for the trailing twelve months ended June 30, 2023

(\$ in Millions)	Six Months Ended December 31, 2022	Six Months Ended June 30, 2023	Trailing Twelve Months Ended June 30, 2023
Net Income	\$640.8	\$602.2	\$1,243.0
Add: Depreciation	\$63.7	\$68.0	\$131.7
Add: Other Interest	\$36.9	\$45.0	\$81.9
Add: Income Taxes	<u>\$221.2</u>	<u>\$205.0</u>	<u>\$426.2</u>
EBITDA	\$962.6	\$920.2	\$1,882.8
Total Non-Vehicle Long-Term Debt			\$1,743.7
Leverage Ratio			0.9x

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	\$111.0	\$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	\$1,474	\$1,690	\$2,360
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

Beginning in 2023, we transitioned our Mercedes-Benz U.K. dealerships to an agency model under which these dealerships receive a fee for facilitating the sale by the manufacturer of a new vehicle but do not hold the vehicle in inventory. Vehicles sold under this agency model are counted as new agency units sold instead of new retail units sold by us, and only the fee we receive from the manufacturer, not the price of the vehicle, is reported as new revenue (as opposed to previously recording all of the vehicle sale price as new revenue) with no corresponding cost of sale. We continue to provide new vehicle customer service at our Mercedes-Benz U.K. dealerships, and the Mercedes-Benz U.K. agency model at this time has not changed our used vehicle sales operations or service and parts operations, although the long-term impact of the agency model at these dealerships as well as other agency models proposed by our manufacturer partners is uncertain.

AGENCY



Automotive