PENSKE
Automotive

FOURTH QUARTER & FULL-YEAR 2023 FINANCIAL RESULTS

February 2024

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, demand for trucks to move freight with respect to PTS and PTG, 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, integrate and realize returns on our 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 investments 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 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 quarterly periods ended March 31, 2023, June 30, 2023 and September 30, 2023 and its other filings with the Securities and Exchange Commission. This presentation speaks only as of its date, and Penske Automotive Group disclaims any duty to update the information herein.

PAG OVERVIEW

A Diversified Transportation Services Company

Headquartered in Bloomfield Hills, MI USA

As of December 31, 2023:

28,000
employees worldwide

4
continents

9
countries

486,000+
new & used units delivered

$29.5B
revenue

337
automotive franchised dealerships

18[(1)]
CarShop used vehicle centers

44
commercial retail truck locations

21
commercial vehicle, power system & parts distribution locations

(1) As of January 31, 2024

ACCOLADES & AWARDS

44 Dealers in 2023

Including nine of top 10 and 13 of top 20 in overall rankings and the No. 1 ranked dealership. Additionally, PAG was recognized for efforts to promote Diversity, Equity & Inclusion

46 Dealers in 2022

Including seven of top 10 and 17 of top 25 in overall rankings and No. 1 in the small dealership group category. Additionally, 7 of top 10 ranked for efforts to promote Diversity, Equity & Inclusion

35 Dealers in 2021

Including six of top 10 and 12 of top 25 in overall rankings; top 3 places 7 of top 10 ranked for efforts to promote Diversity, Equity & Inclusion

14+ Years Running

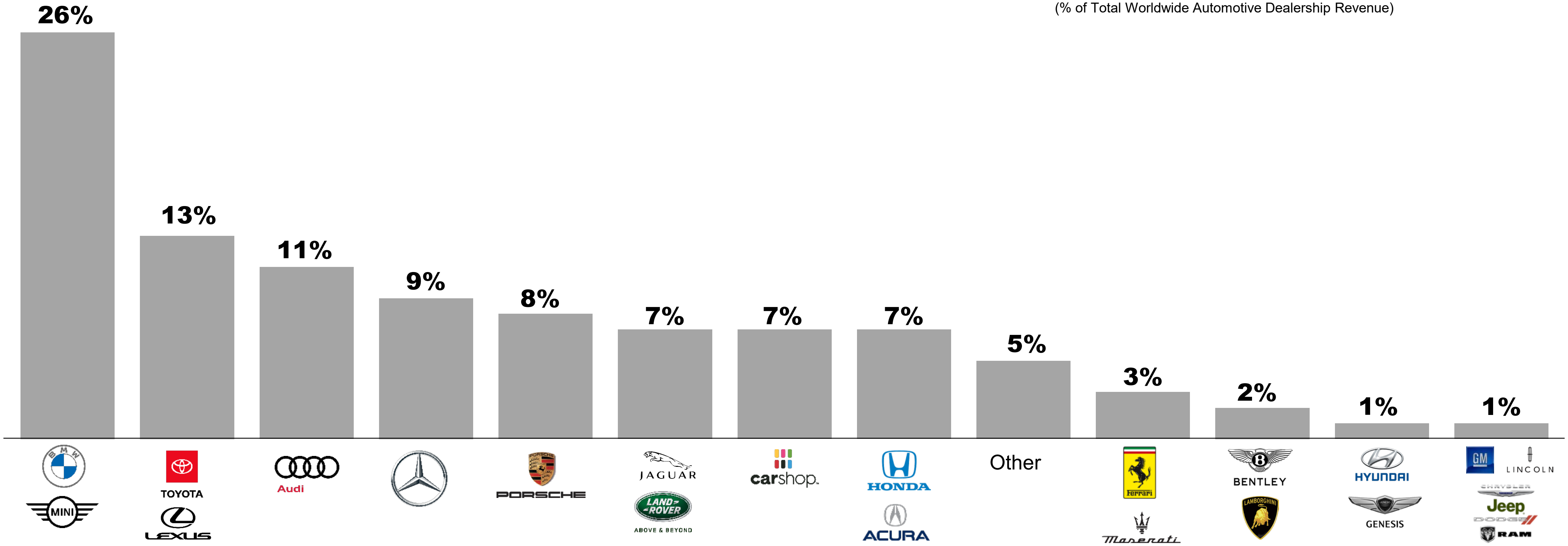
10+ Years Running

- PAG – Best Place to Work For 2024
- CarShop UK – Best Places to Work For 2021
- CarShop US – Best Places to Work For 2019
- Sytner Group – Best Retailer To Work For 2019

RETAIL AUTOMOTIVE BRAND MIX

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

(Twelve months ended December 31, 2023)
(% of Total Worldwide Automotive Dealership Revenue)



PENSKE

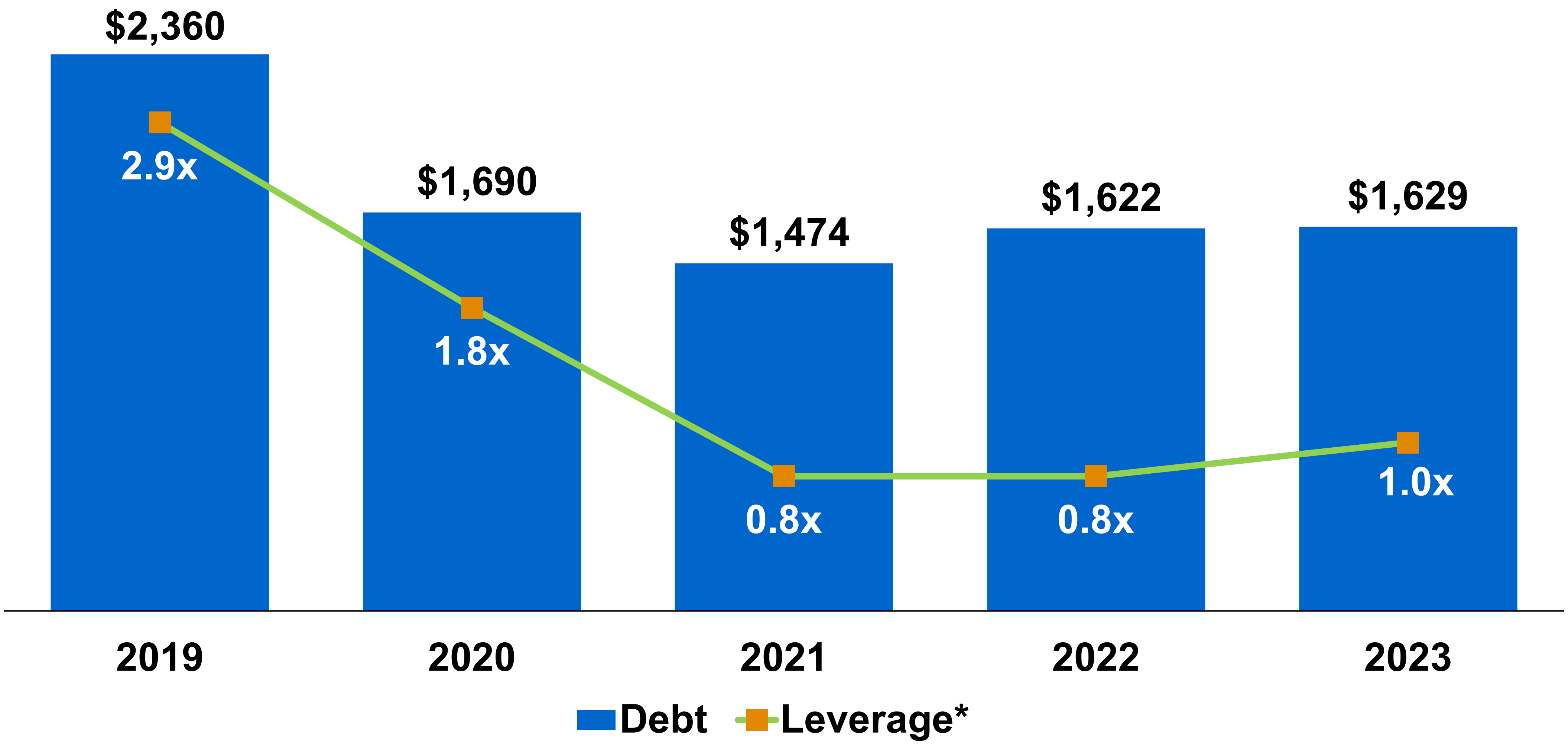
CAPITAL ALLOCATION HISTORY

(In Millions)

	2018	2019	2020	2021	2022	2023
Dividends	**$121**	**$131**	**$68**	**$143**	**$154**	**$189**
Cap Ex	**$306**	**$245**	**$186**	**$249**	**$283**	**$375**
Share Repurchases	**$75**	**$174**	**$35**	**$294**	**$887**	**$382**
Acquisitions	**$309**	**$327**	**---**	**$432**	**$393**	**$215**

HISTORICAL LONG-TERM DEBT AND LEVERAGE

(USD in Millions)

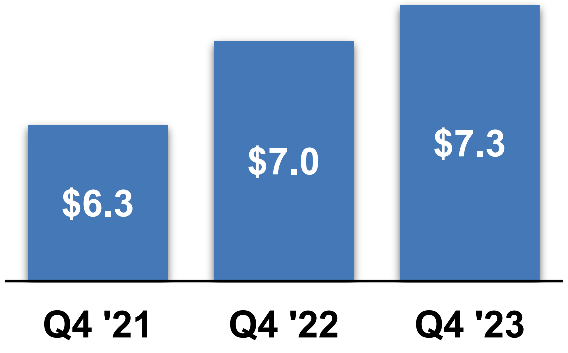


*Refer to non-gaap reconciliation on page 37

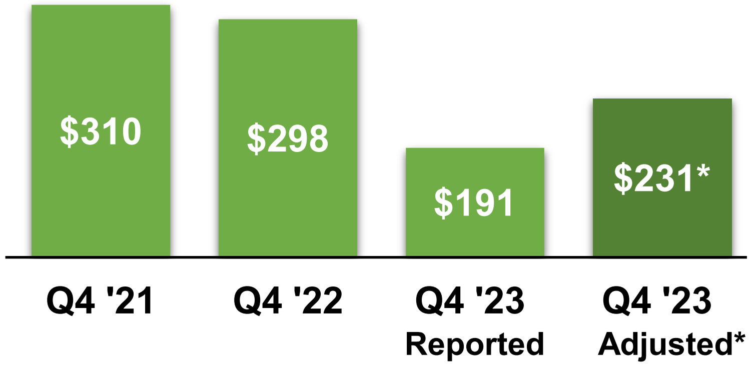
Q4 & 12M 2023 REVIEW

PAG Q4 and 12M YTD PERFORMANCE SUMMARY

Q4 Total Revenue
($ in Billions)

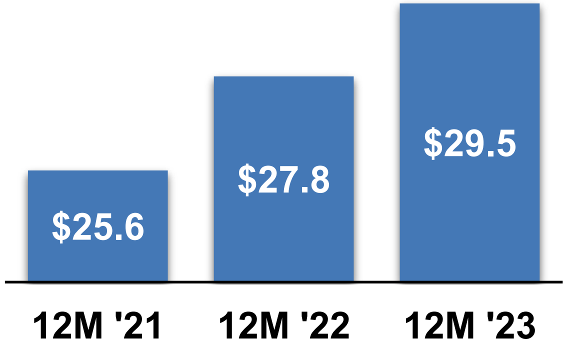


Q4 Income From Cont. Ops
($ in Millions)

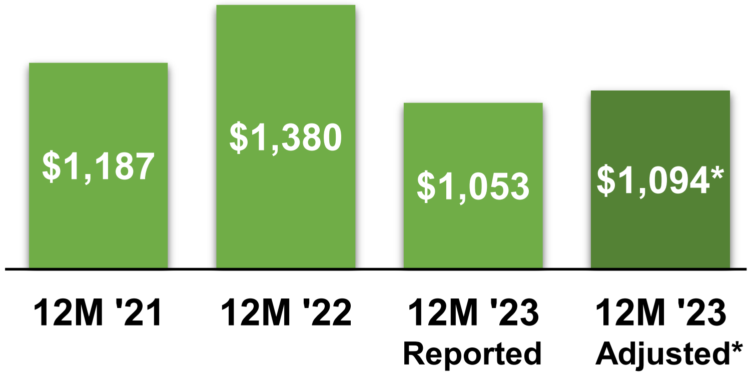


Q4 Earnings Per Share From Continuing Operations

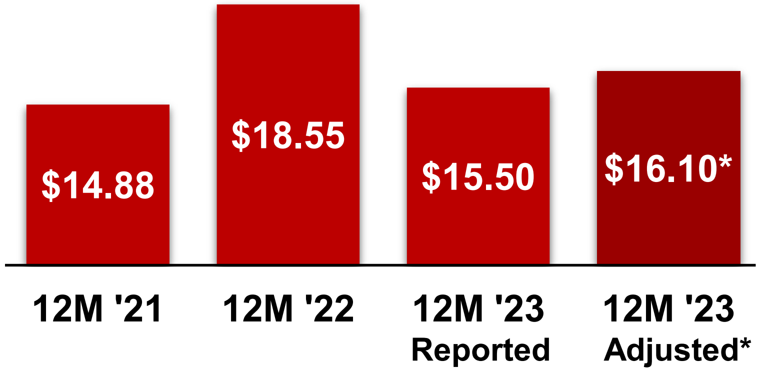
12M Total Revenue
($ in Billions)



12M Income From Cont. Ops
($ in Millions)



12M Earnings Per Share From Continuing Operations



*Refer to non-gaap reconciliation on page 35

KEY HIGHLIGHTS – Q4

Retail Automotive (2023 vs 2022)

- Total same-store units delivered (including Agency) increased 9% to 116,652
- Same-store retail automotive revenue performance

	Reported	Excl. F/X
New Vehicle	+8%	+6%
Used Vehicle	(1%)	(4%)
F & I	+3%	+1%
Service/Parts	+7%	+5%
Fleet/Wholesale	+4%	+1%
Total	+4%	+2%

- Same-store variable vehicle gross profit (excl. agency) of $5,274 down $559/unit, or -10%

Note: Refer to page 38 for an overview of the Agency model

Retail Commercial Trucks (2023 vs 2022)

- Retailed 5,409 new & used trucks, -5%; same-store units -8%
- Same-store revenue -10%
- Same-store fixed cost absorption of 123%
- Record fourth quarter EBT of $51 million

Capital Allocation

- Increased dividend 10% in January 2024 to $0.87
- In January 2024, completed the acquisition of Rybrook Group in the U.K. representing $1 billion in estimated annualized revenue

Penske Transportation Solutions

- PAG equity income from PTS investment:
  - $51 million for three months ended December 31, 2023

KEY HIGHLIGHTS – 12M

Retail Automotive (2023 vs 2022)

- Total same-store units delivered (including Agency) increased +7% to 463,709
- Same-store retail automotive revenue performance

	Reported	Excl. F/X
New Vehicle	+12%	+12%
Used Vehicle	(2%)	(3%)
F & I	(2%)	(2%)
Service/Parts	+9%	+9%
Fleet/Wholesale	+6%	+6%
Total	+5%	+5%

- Same-store variable vehicle gross profit (excl. agency) of $5,457 down $513/unit, or -9%

Note: Refer to page 38 for an overview of the Agency model

Retail Commercial Trucks (2023 vs 2022)

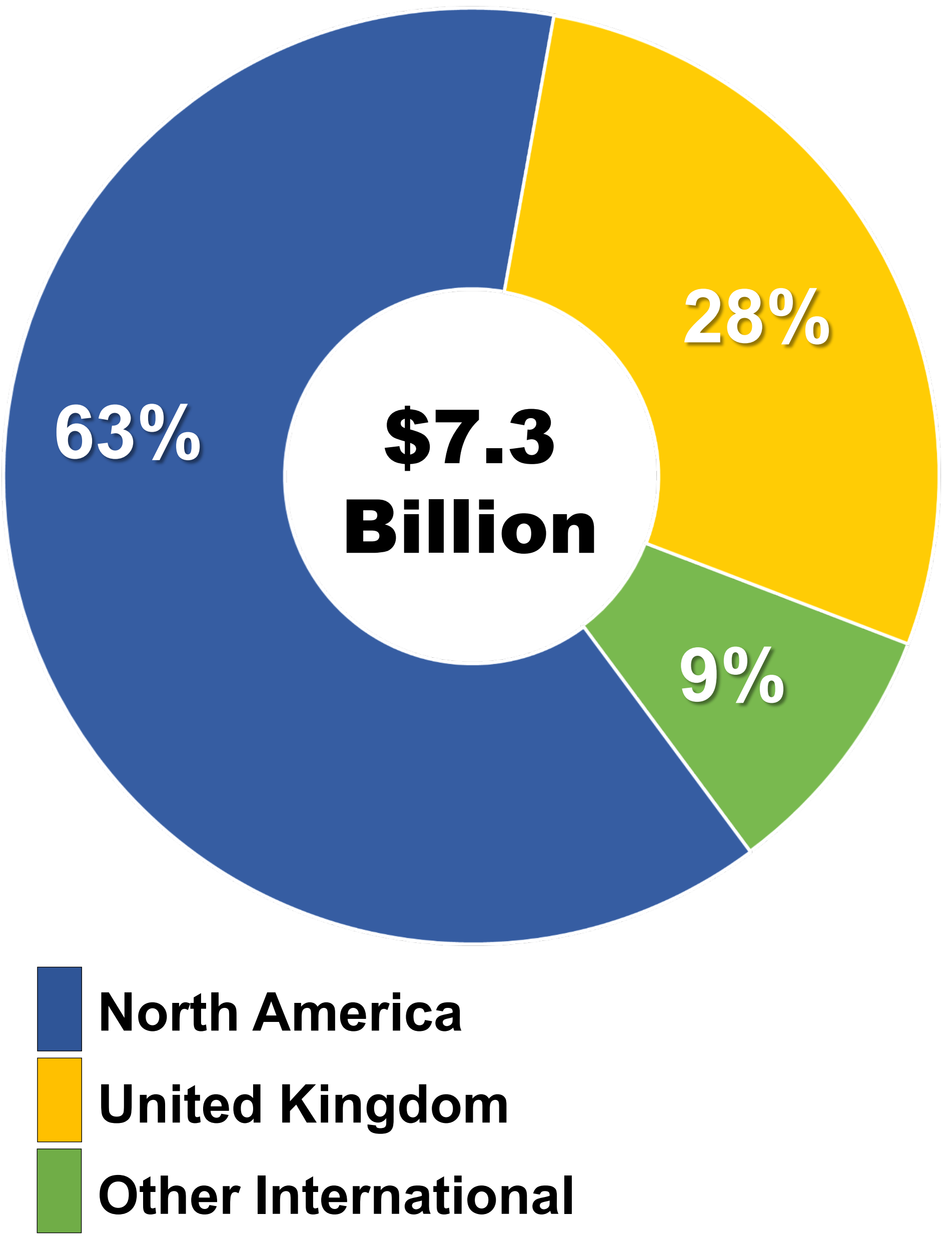
- Retailed 21,380 new & used trucks, +4%; same-store units +1%
- Same-store revenue +1%
- Fixed cost absorption of 129%
- Record 12M EBT of $225 million or +5%

Capital Allocation

- Since end of 2022, increased dividend by 53% from $0.57 to $0.87 in January 2024
- For the twelve months ended December 31, 2023, 2.8 million shares repurchased for $382 million

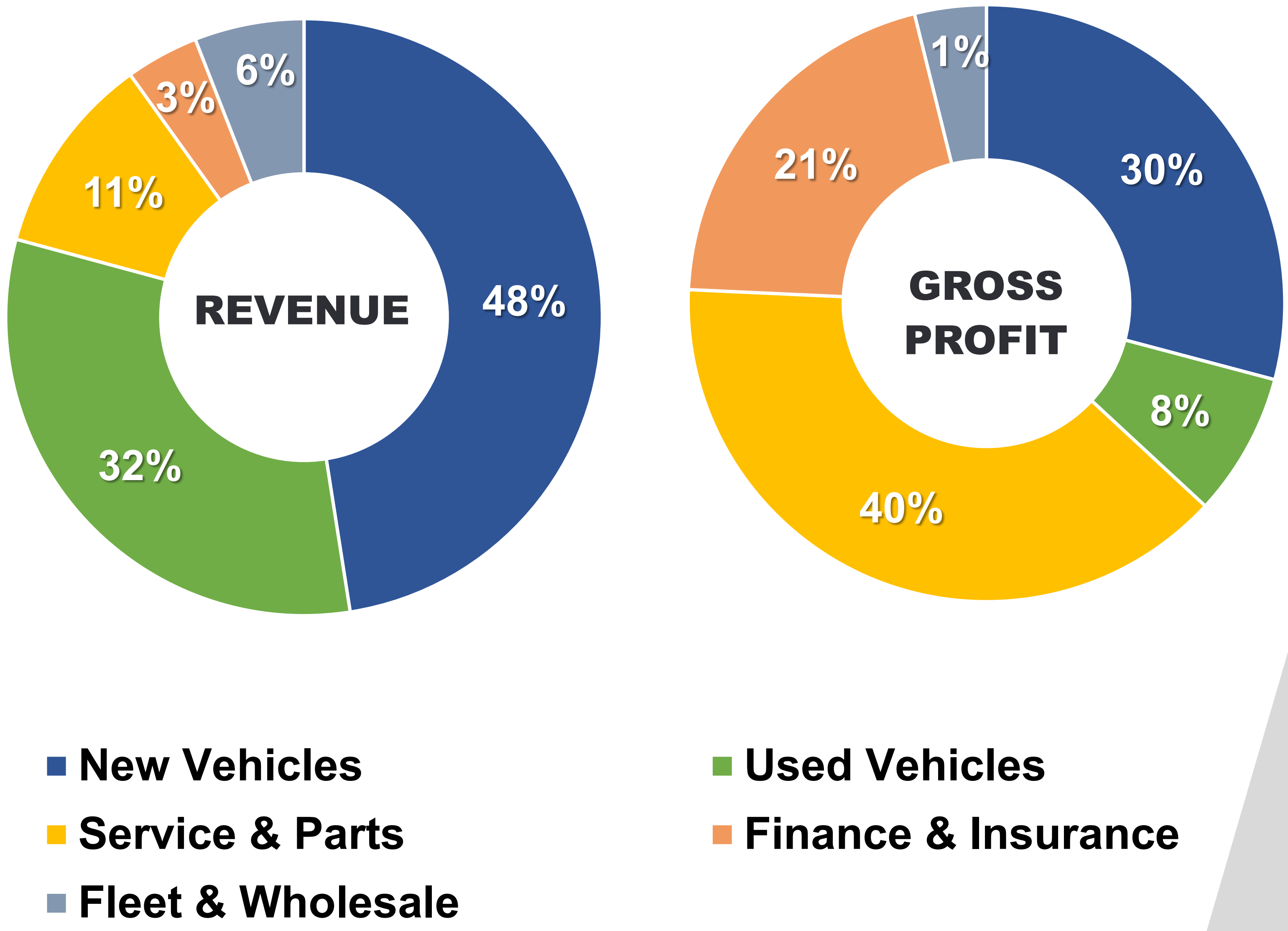
Penske Transportation Solutions

- PAG equity income from PTS investment:
  - $289 million for the twelve months ended December 31, 2023



Q4 2023 GLOBAL REVENUE

RETAIL AUTO Q4 2023 REVENUE STREAM DRIVES PROFITABILITY



Q4 & 12M PERFORMANCE HIGHLIGHTS

($ in Millions)	Q4 '23	Q4 '22	Chg	12M '23	12M '22	Chg
Revenue	$7,272	$7,012	+4%	$29,527	$27,815	+6%
Excl F/X	*$7,142*		*+2%*	*$29,531*		*+6%*
Retail Auto Same-Store Revenue	$6,127	$5,877	+4%	$24,256	$23,000	+5%
Excl F/X	*$5,995*		*+2%*	*$24,236*		*+5%*
Inc. from Cont. Ops Before Taxes	$256	$395	(35%)	$1,420	$1,859	(24%)
Excl F/X	*$256*		*(35%)*	*$1,429*		*(23%)*
Adj. Income from Cont. Ops Before Taxes*	$297	$395	(25%)	$1,460	$1,859	(22%)
Excl F/X	*$296*		*(25%)*	*$1,468*		*(21%)*
Income from Cont. Ops	$191	$298	(36%)	$1,053	$1,380	(24%)
Excl F/X	*$191*		*(36%)*	*$1,061*		*(23%)*
Adj. Income from Cont. Ops*	$231	$298.0	(22%)	$1,094	$1,380	(21%)
Excl F/X	*$231*		*(22%)*	*$1,100*		*(20%)*
Earnings Per Share	$2.84	$4.21	(33%)	$15.50	$18.55	(16%)
Excl F/X	*$2.85*		*(32%)*	*$15.61*		*(16%)*
Adj. Earnings Per Share*	$3.45	$4.21	(18%)	$16.10	$18.55	(13%)
Excl F/X	*$3.43*		*(18%)*	*$16.19*		*(13%)*

*Refer to non-gaap reconciliation schedule on page 35

RETAIL AUTOMOTIVE

RETAIL AUTOMOTIVE KEY METRICS

Same-Store	Q4 '23	Q4 '22	Chg	12M '23	12M '22	Chg
VOLUME METRICS						
New Units*	51,510	50,221	+3%	191,039	179,703	+6%
Used Units	57,029	57,076	---	245,107	252,458	-3%
Agency Units	8,113	---	nm	27,563	---	nm
Total Units	116,652	107,297	+9%	463,709	432,161	+7%
GROSS PER UNIT*						
New	$5,518	$6,474	-15%	$6,024	$6,786	-11%
Used	$1,443	$1,761	-18%	$1,703	$2,106	-19%
F&I	$1,897	$1,866	+2%	$1,861	$1,918	-3%
Var. Vehicle Gross	$5,274	$5,833	-10%	$5,457	$5,970	-9%

*Excluding agency; refer to page 38 for an overview of the agency model

RETAIL AUTOMOTIVE SAME-STORE REVENUE

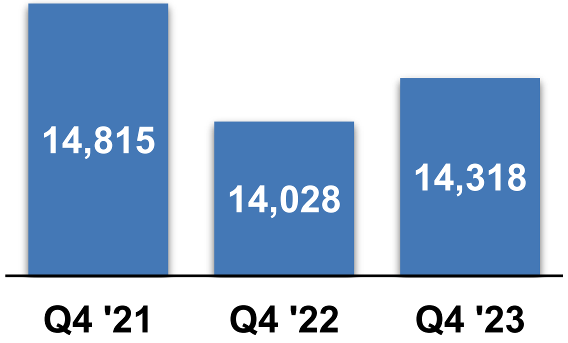
($ in Millions)	Q4 ’23	Q4 ’22	Chg	12M ’23	12M ’22	Chg
New Vehicle	$2,969	$2,760	+8%	$10,947	$9,766	+12%
Excl F/X	*$2,918*		*+6%*	*$10,925*		*+12%*
Used Vehicle	$1,952	$1,971	(1%)	$8,529	$8,742	(2%)
Excl F/X	*$1,895*		*(4%)*	*$8,518*		*(3%)*
Finance & Insurance	$207	$200	+3%	$812	$829	(2%)
Excl F/X	*$202*		*+1%*	*$811*		*(2%)*
Service & Parts	$672	$630	+7%	$2,571	$2,351	+9%
Excl F/X	*$660*		*+5%*	*$2,566*		*+9%*
Fleet & Wholesale	$328	$317	+4%	$1,397	$1,321	+6%
Excl F/X	*$320*		*+1%*	*$1,395*		*+6%*
Total	$6,127	$5,877	+4%	$24,256	$23,009	+5%
Excl F/X	*$5,995*		*+2%*	*$24,215*		*+5%*

CARSHOP
USED VEHICLES

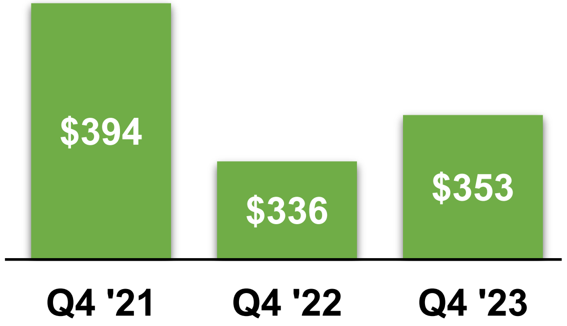
PERFORMANCE SUMMARY

carshop™

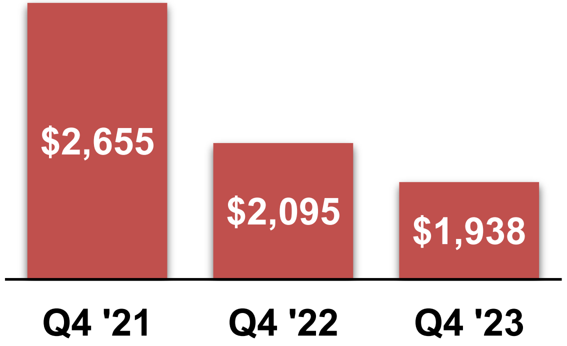
Q4 Units



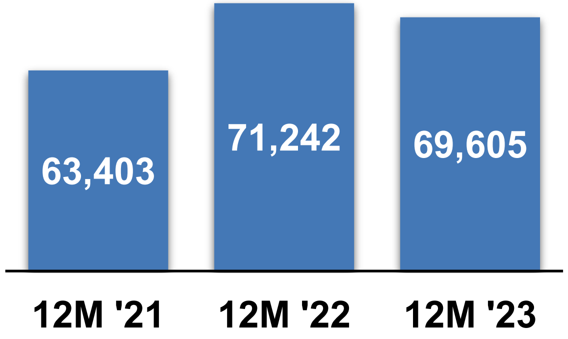
Q4 Revenue (in Millions)



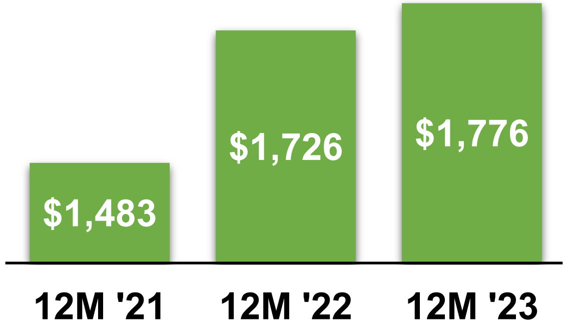
Q4 Gross/Unit



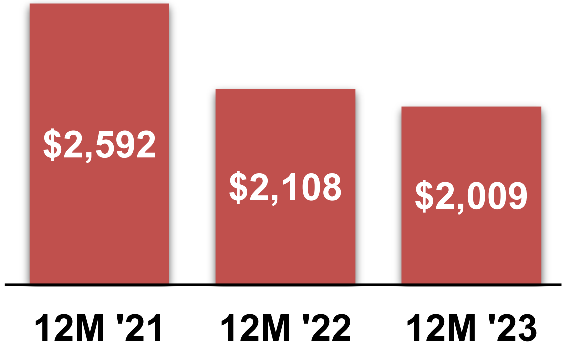
12M Units



12M Revenue ($ in Millions)



12M Gross/Unit



PREMIER TRUCK GROUP

Amarillo, Texas Facility
Opened January 2024

PREMIER TRUCK GROUP

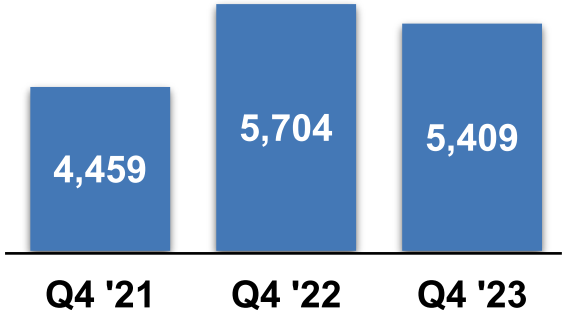
- One of the largest dealership groups for Daimler Trucks N.A.
- Retails new and used Freightliner and Western Star Trucks
- Acquired Transolutions Truck Centres in the greater Winnipeg, Manitoba market area with 5 locations and $180 million in expected annualized revenue
- 44 locations across North America
- Retailed over 21,300 new and used units in 2023, +4%
- 12M 2023 service and parts gross profit provides 65% of total gross profit
- 12M 2023 EBT record of $225 million, +5%
- 12M 2023 fixed cost absorption 129%

RETAIL COMMERCIAL TRUCK KEY METRICS

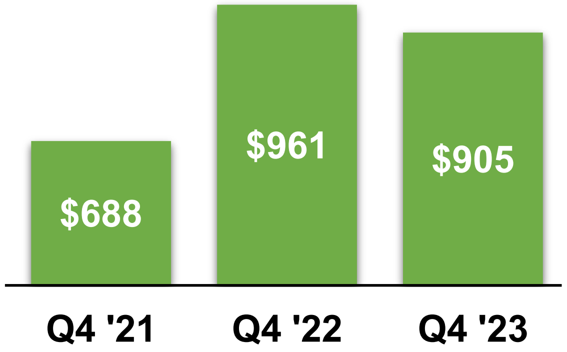
Same-Store	Q4 ’23	Q4 ’22	Chg	12M ‘23	12M ‘22	Chg
VOLUME METRICS						
New Units	4,344	5,181	-16%	16,988	17,220	-1%
Used Units	885	523	+69%	3,046	2,630	+16%
Total Units	5,229	5,704	-8%	20,034	19,850	+1%
GROSS PER UNIT						
New	$8,250	$6,663	+24%	$7,877	$7,018	+12%
Used	$6,306	$8,658	-27%	$6,395	$8,207	+22%
F&I	$1,069	$732	+46%	$1,018	$1,008	+1%

RETAIL COMMERCIAL TRUCK PERFORMANCE

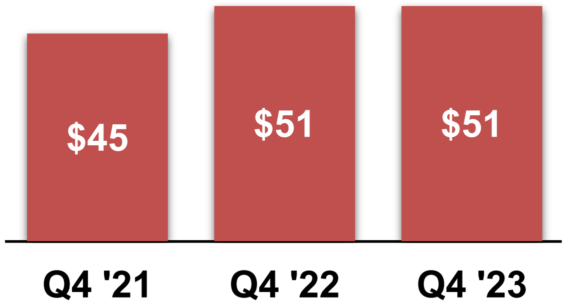
Q4 Units



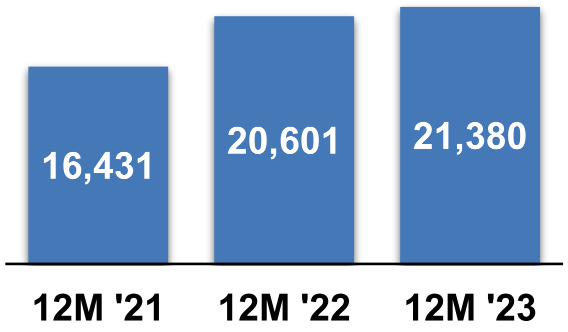
Q4 Revenue (in Millions)



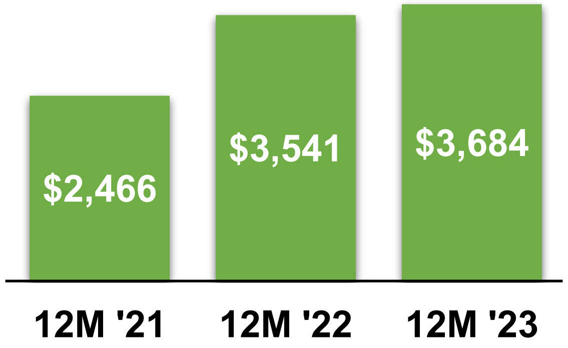
Q4 EBT ($ in Millions)



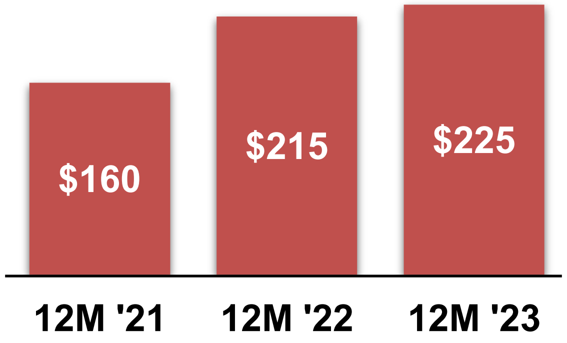
12M Units



12M Revenue ($ in Millions)



12M EBT ($ in Millions)



PENSKE AUSTRALIA & NEW ZEALAND

PENSKE AUSTRALIA/NEW ZEALAND

- Exclusive importer and distributor of certain heavy/medium-duty trucks, buses and refuse collection vehicles – Western Star, MAN, Dennis Eagle
- Distributor of diesel/gas engines and power systems – MTU, Detroit Diesel, Allison Transmission, and Bergen engines
- Parts & service gross profit approximately 80% of total gross profit
- Serves on-highway truck, mining, construction, agriculture, marine, oil & gas, and energy solutions market segments

(in millions of US $)	Q4 '23	Q4 '22	CHG	12M '23	12M '22	CHG
Revenue	$189	$141	+34%	$634	$579	+10%
EBT	$11	$7	+57%	$45	$36	+25%

PENSKE TRANSPORTATION SOLUTIONS

PENSKE TRANSPORTATION SOLUTIONS (PTS)

Penske Truck Leasing

Truck Rental

Full-Service Leasing

Contract Maintenance

Used Trucks

Penske Logistics

Dedicated Contract Carriage

Distribution Center Management

Freight Management & Brokerage

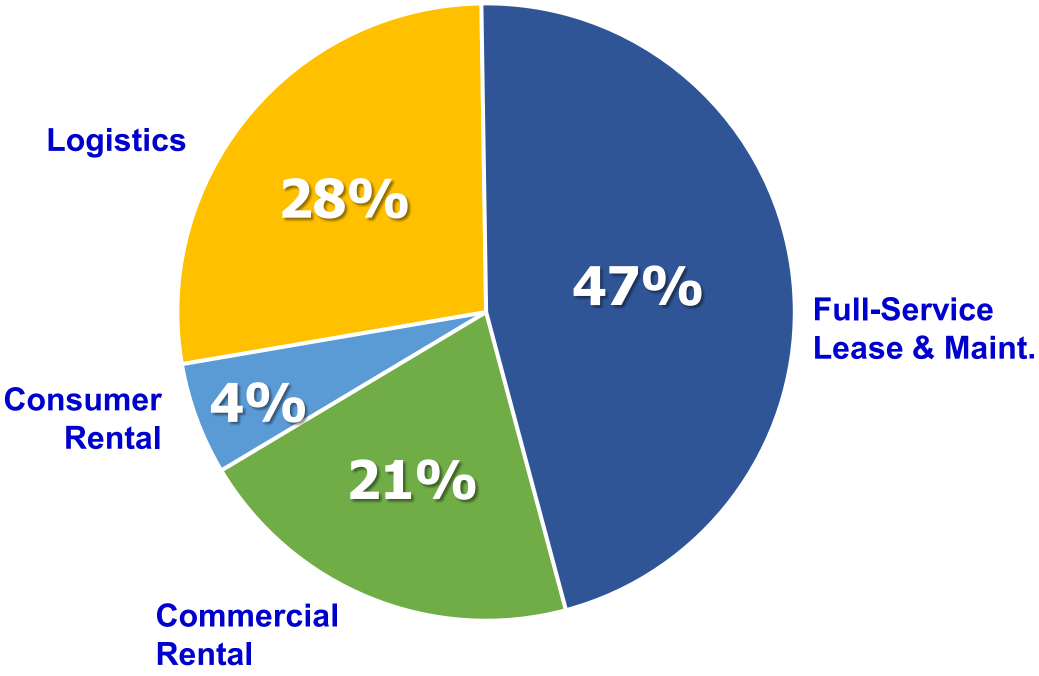
Professional Services

PTS HIGHLIGHTS

- Managed fleet of over 439,000 trucks, tractors and trailers
- Q4 2023 Highlights:
  - Operating revenue of $2.7 billion, up 3%
  - Net income of $177 million, down 49%
  - Return on sales 6%
- 12M 2023 Highlights:
  - Operating revenue of $10.8 billion, up 6%
  - Net income of $1.0 billion, down 41%
  - Return on sales 9%
- PAG recorded equity income from PTS investment of $51 million for the three months and $289 million for the twelve months ended December 31, 2023

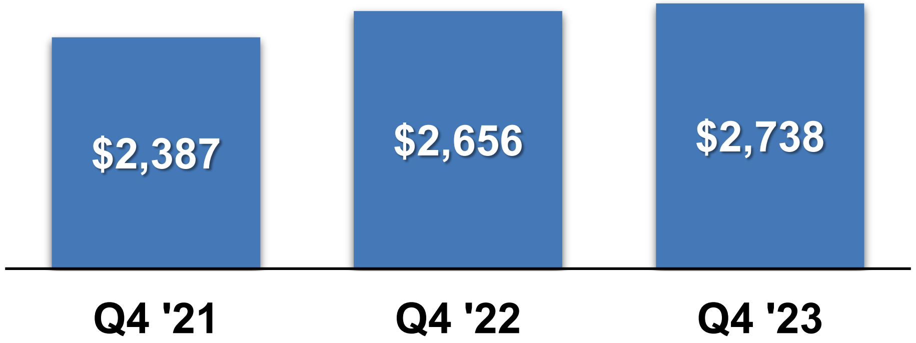
OPERATING REVENUE

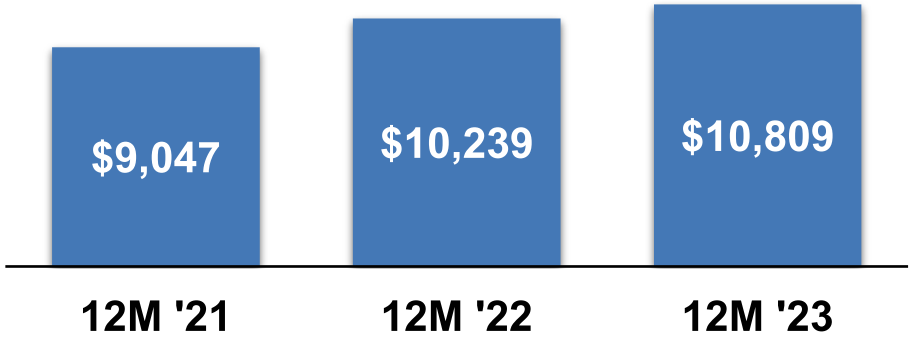
(For the three months ended December 31, 2023)



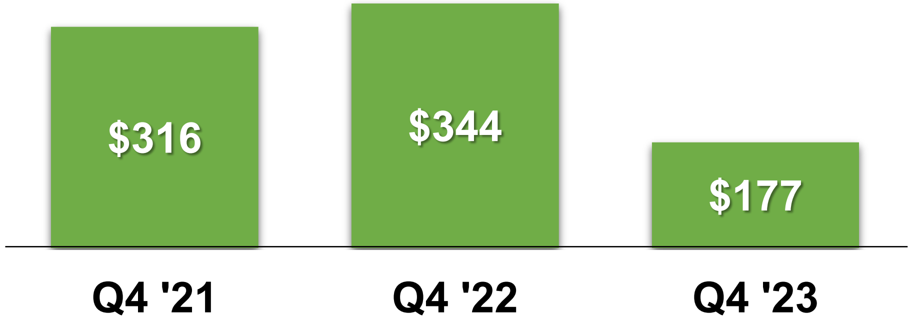
PTS PERFORMANCE SUMMARY

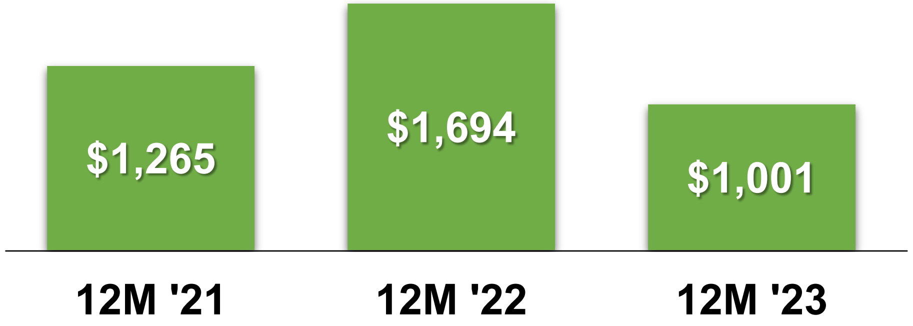
Operating Revenue ($ in Millions)





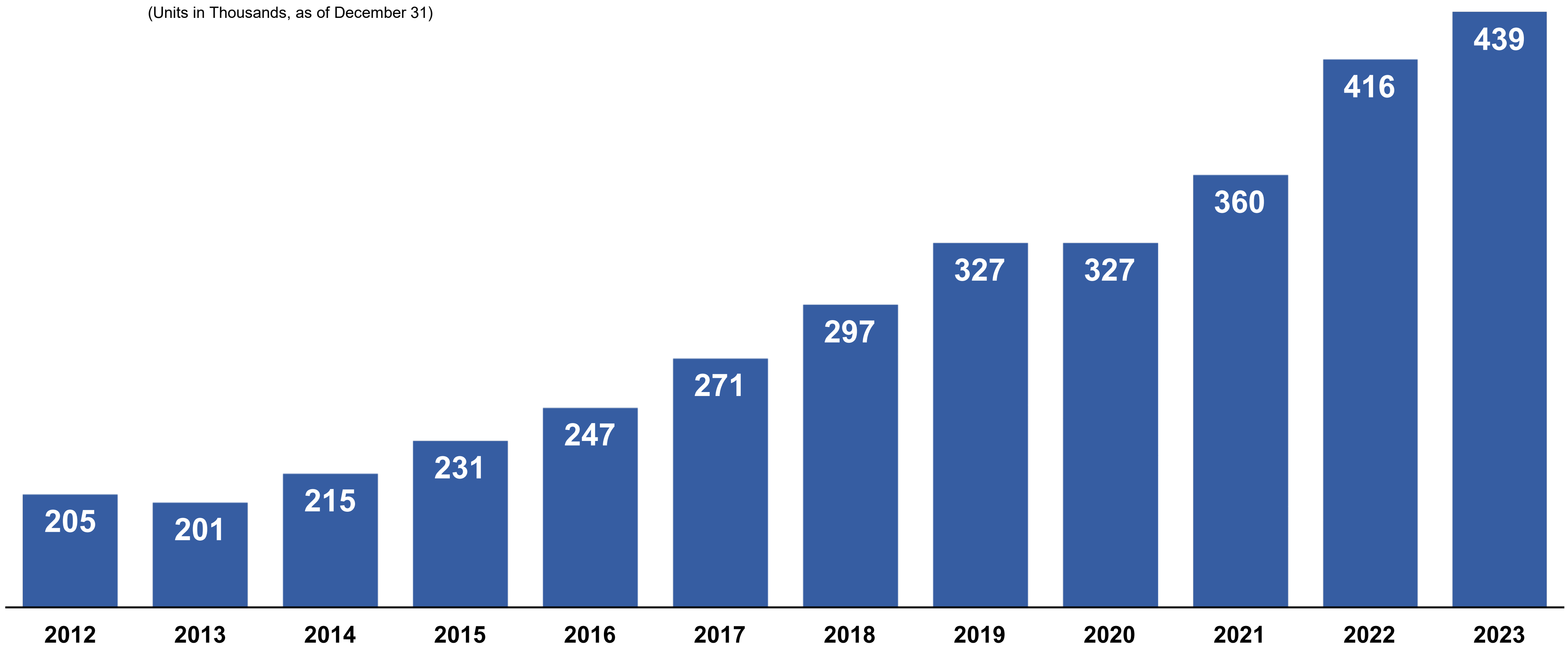
Net Income ($ in Millions)





PTS FLEET GROWTH

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



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

DIGITAL RETAILING TO MODERN RETAILING

- Evolved from a web tool to an integrated digital engagement platform
- Parallel technology to flow from online to in-store
  - Data follows customer from web to showroom
  - Leverage the same system if the customer starts in store
  - Working deal alongside of customer builds trust
  - Smooth omnichannel experience
- OEM programs
  - Added additional structure and capabilities
- PAG strategy
  - Continue to utilize OEM programs
  - Continue to leverage Cox tool at CarShop
  - Leverage tools that integrate the online/in-store platform

Now a framework around which vehicles are sold regardless of how the customer engages

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

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, 2023 and 2022

($ in millions, except per share amounts)

	Q4 '23	Q4 '22	% Chg	12M '23	12M '22	% Chg
Income from Cont. Ops	$190.7	$298.0	(36.0%)	$1,053.2	$1,380.0	(23.7%)
Add: Impairment Charges(1)	$40.7	---	---	$40.7	---	---
Adj. Income From Cont. Ops	$231.4	$298.0	(22.3%)	$1,093.9	$1,380.0	(20.7%)

	Q4 '23	Q4 '22	% Chg	12M '23	12M '22	% Chg
Earnings Per Share From Cont. Ops	$2.84	$4.21	(32.5%	$15.50	$18.55	(16.4%)
Add: Impairment Charges(1)	$0.61	---	---	$0.60	---	---
Adj. Earnings Per Share From Cont. Ops	$3.45	$4.21	(32.5%)	$16.10	$18.55	(13.2%)

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, 2023 and 2022

	Q4 '23	Q4 '22	% Chg	12M '23	12M '22	% Chg
Income from Cont. Ops Before Taxes	$255.8	$394.8	(35.2%)	$1,419.5	$1,859.2	(23.6%)
Add: Impairment Charges(1)	$40.7	---	nm	$40.7	---	nm
Adj. Income From Cont. Ops Before Taxes	$296.5	$394.8	(24.9%)	$1,460.2	$1,859.2	(21.5%)

(1) Impairment charges relate to our used vehicle dealerships international reporting unit

EBITDA & ADJ. EBITDA RECONCILIATION

The following tables reconcile reported net income to earnings before interest, taxes, depreciation, and amortization ("EBITDA") and adjusted EBITDA for the three months ended December 31, 2023 and 2022

($ in Millions)	Three Months Ended December 31,		Change 2023 vs 2022	
	2023	2022	$	%
Net Income	$192.0	$299.3	($107.3)	(36%)
Add: Depreciation	$37.6	$32.2	$5.4	+17%
Other Interest Exp	$23.1	$19.0	$4.1	+22%
Income Taxes	$63.8	$95.5	($31.7)	(33%)
EBITDA	$316.5	$446.0	($129.5)	(29%)
Add: Impairment Charge (1)	$40.7	---	$40.7	nm
Adj. EBITDA	$357.2	$446.0	($88.8)	(20%)

nm = not meaningful

(1) Impairment charges relate to our used vehicle dealerships international reporting unit

EBITDA, ADJ. EBITDA & LEVERAGE RATIO RECONCILIATION

The following table reconciles EBITDA, Adj. EBITDA and Leverage Ratio as of December 31, 2023, 2022, 2021 and 2020

($ in Millions)	12M '23	12M '22	12M '21	12M '20	12M '19
Net Income	$1,058.6	$1,386.2	$1,192.7	$545.3	$435.1
Add: Depreciation	$141.0	$127.3	$121.5	$115.5	$109.6
Add: Other Interest	$92.6	$70.4	$68.6	$111.0	$124.2
Add: Income Taxes	$360.9	$473.0	$416.3	$162.7	$156.7
Add: (Income) From Disc. Ops	---	---	($1.3)	($0.4)	($0.3)
EBITDA	$1,653.1	$2,056.9	$1,797.8	$934.1	$825.3
Less: Net gain on dealership sales	---	---	---	($5.2)	---
Add: Impairment Charges[(1)]	$40.7	---	---	---	---
Add: Loss on investment from revaluation[(2)]	---	---	$11.4	---	---
Add: Debt redemption costs[(3)]	---	---	$17.0	$8.6	---
Adjusted EBITDA	$1,693.8	$2,056.9	$1,826.2	$937.5	$825.3
Total Non-Vehicle Long-Term Debt	$1,629.2	$1,622	$1,474	$1,690	$2,360
Leverage Ratio	1.0x	0.8x	0.8x	1.8x	2.9x

(1) Impairment charges relate to our used vehicle dealerships international reporting unit
(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 and the redemption of our 5.75% senior subordinated notes due 2022 and our $300 million 5.375% senior subordinated notes due 2024 in 2020

Beginning in 2023, we transitioned our Mercedes-Benz U.K. dealerships, and a limited number of our other 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

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