

The AutoNation logo is displayed in a large, white, sans-serif font. A thin horizontal line, colored with a gradient from white to red, is positioned directly beneath the text. The background of the slide is a photograph of a modern car dealership interior, featuring several cars parked on a polished floor and large windows in the background. The image is overlaid with a semi-transparent blue geometric shape.

AutoNation.

Investor Presentation

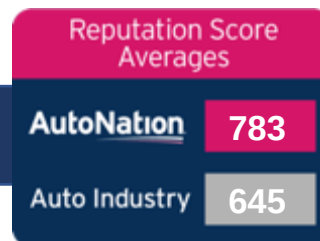
Second Quarter 2023

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Words such as "anticipates," "expects," "intends," "goals," "targets," "projects," "plans," "believes," "continues," "may," "will," "could," and variations of such words and similar expressions are intended to identify such forward-looking statements. Statements regarding our strategic initiatives, partnerships, and investments, including AutoNation USA, AutoNation Finance, and RepairSmith, statements regarding our investments in digital and online capabilities and mobility solutions, statements regarding our expectations for the future performance of our business and the automotive retail industry, and other statements that describe our objectives, goals, or plans, are forward-looking statements. Our forward-looking statements reflect our current expectations concerning future results and events, and they involve known and unknown risks, uncertainties, and other factors that are difficult to predict and may cause our actual results, performance, or achievements to be materially different from any future results, performance, and achievements expressed or implied by these statements. These risks, uncertainties, and other factors include, among others: our ability to implement successfully our strategic acquisitions, initiatives, partnerships, and investments, including our investments in digital and online capabilities and mobility solutions; our ability to identify, acquire, and build out suitable locations in a timely manner; our ability to maintain and enhance our retail brands and reputation and to attract consumers to our own digital channels; our ability to acquire and integrate successfully new acquisitions; restrictions imposed by vehicle manufacturers and our ability to obtain manufacturer approval for franchise acquisitions; economic conditions, including changes in unemployment, interest, and/or inflation rates, consumer demand, fuel prices, and tariffs; supply chain disruptions and inventory availability; new and used vehicle margins; our ability to attain planned sales volumes within our expected time frames; our ability to successfully implement and maintain expense controls; the success and financial viability and the incentive and marketing programs of vehicle manufacturers and distributors with which we hold franchises; natural disasters and other adverse weather events; the resolution of legal and administrative proceedings; regulatory factors affecting our business, including fuel economy requirements; the announcement of safety recalls; factors affecting our goodwill and other intangible asset impairment testing; and other factors described in our news releases and filings made under the securities laws, including, among others, our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Forward-looking statements contained in this presentation speak only as of the date of this presentation, and we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

AutoNation Investment Highlights

- Substantial, predictable cash flow generation coupled with disciplined capital allocation drives long-term value
- Trusted Industry leading brand, with strong community ties
- Experienced management team focused on delivering near-term results with an eye to the future
- Strong balance sheet – only Investment grade rated Public Franchise Dealer
- Building concentrated scale and scope in markets to maximize performance
- Developing end-to-end transportation solutions to better serve our 11 million customer base
- Multiple growth channels within core business and in adjacent transportation products and services



Source: Reputation,
June 2023



Overview

11 Million

Customers

10+ Million

Households

24,000

Associates

353

Franchises

253

Franchised
Dealerships

16

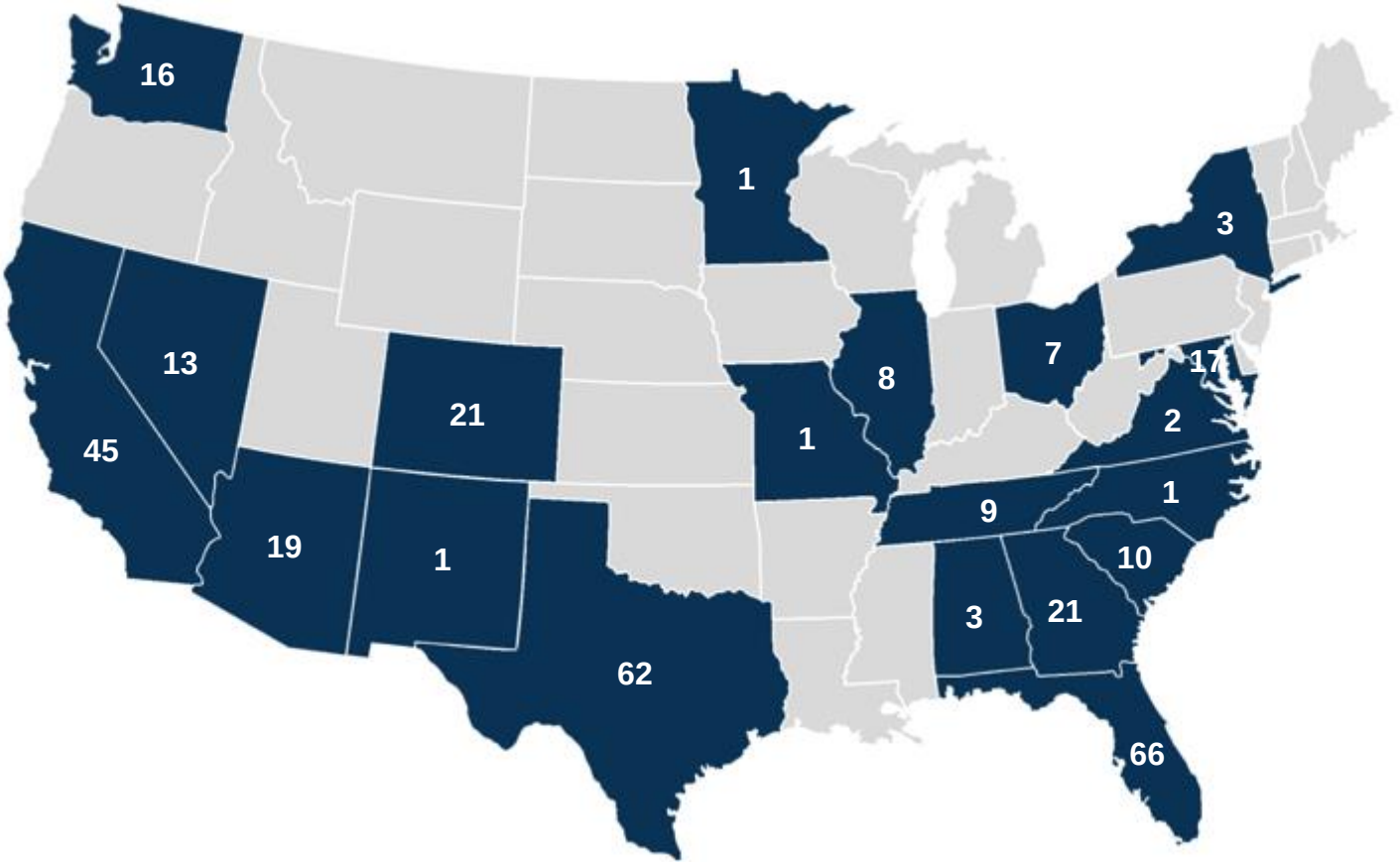
AN USA
Stores

53

Collision
Centers

4

Vehicle
Auctions



Total Revenue \$27 Billion



Total Gross Profit \$5.3 Billion



■ New ■ Used ■ After Sales ■ CFS

*Map reflects total locations as of June 30, 2023; Financials based on FY 2022

AutoNation: Initiatives

To provide a comprehensive range of transportation solutions to our 11 Million Customers & Households

Extending value creation of core business by increasing the depth and breadth of product and service offerings:

- Convenient, transparent and trusted customer experience to drive better retention
- Continued growth of After-Sales business in existing network – now reimagined with RepairSmith
- Added in-house captive finance capabilities via AN Finance
- Expansion of complementary used-only AutoNation USA footprint
- Building concentrated scale and scope within markets to maximize performance
- Robust stock repurchase program to enhance shareholder value
- Helping efforts to find a cure for cancer through DRVPNK, raising \$37+ million



Financial Review



Q2 2023 Highlights

Our diversified business model and disciplined capital deployment delivered strong results

Q2 '23 EPS of \$6.02, Q2 '23 Adj. EPS of \$6.29, Prior Year EPS of \$6.48

Robust performance and benefits of capital deployment

After-Sales Gross Profit of \$543 Million up 13% From Prior Year

Growth driven by Customer Pay, Warranty, Internal, and Collision

Record CFS PVR of \$2,815

Product penetration & margin improvement driving results and industry-leading profitability

Adj. SG&A* as a % of Gross Profit at 61.9%

Significantly lower than pre-Pandemic levels reflecting continued expense discipline, enabling investments in technology and process improvements

Acquired five stores in California and added 16th AN USA Store

Carlsbad, CA stores represent approx. \$300 million of annual revenue

Recognized for exceptional customer service

J.D. Power 2023 Dealer of Excellence recognized 143 AutoNation dealerships, new customer additions of more than 400 thousand in 1H2023



Q2 2023 Financial Summary

<i>(\$ in millions, except per share data)</i>	Q2 2023	Q2 2022	YoY
Total revenue	\$6,890	\$6,869	0.3%
Gross profit	\$1,335	\$1,362	-2%
Adj. SG&A Expense*	\$826	\$755	9%
<i>Adj. SG&A / Gross Profit</i>	<i>61.9%</i>	<i>55.4%</i>	<i>650bps</i>
Adj. Operating income	\$456	\$558	-18%
Adj. Net income	\$285	\$376	-24%
Adj. EPS	\$6.29	\$6.48	-3%

* Q2 2023 SG&A Expense excludes \$16.5m (\$12.4m after-tax) extraordinary weather-related losses

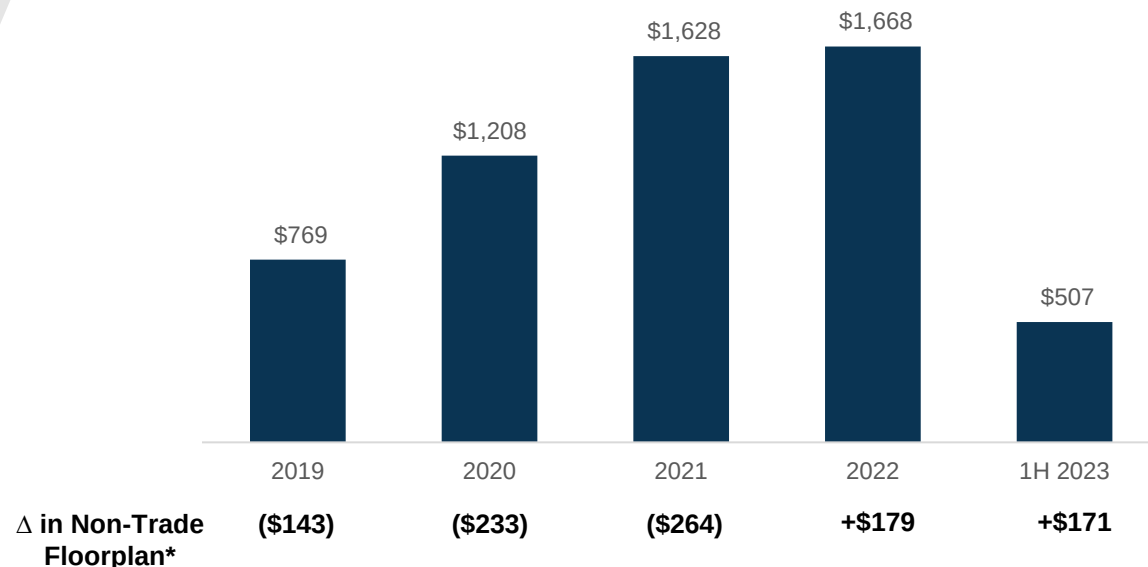
Q2 2023 Financial Summary

<i>(\$ in millions, except per share data)</i>	Q2 2023	Q1 2023	QoQ
Total revenue	\$6,890	\$6,399	8%
Gross profit	\$1,335	\$1,286	4%
Adj. SG&A Expense*	\$826	\$783	5%
<i>Adj. SG&A / Gross Profit</i>	<i>61.9%</i>	<i>60.8%</i>	<i>110bps</i>
Adj. Operating income	\$456	\$443	3%
Adj. Net income	\$285	\$289	-1%
Adj. EPS	\$6.29	\$6.07	4%

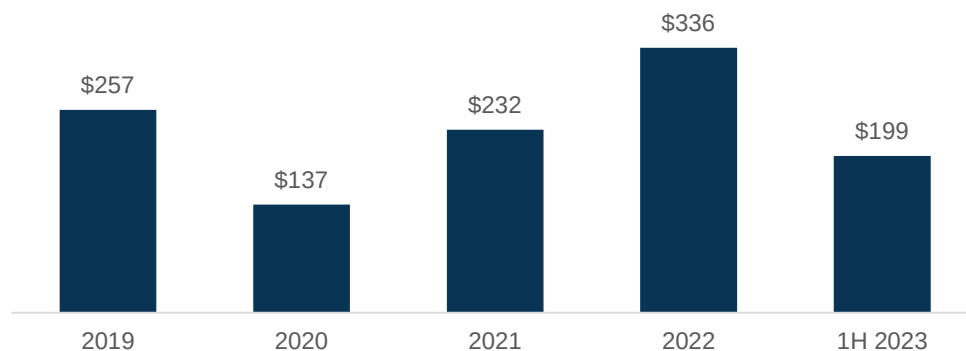
* Q2 2023 SG&A Expense excludes \$16.5m (\$12.4m after-tax) extraordinary weather-related losses

Robust Consistent Cash Flow Generation

CASH FLOW FROM OPERATIONS (\$MM)



CAPITAL EXPENDITURES (\$MM)

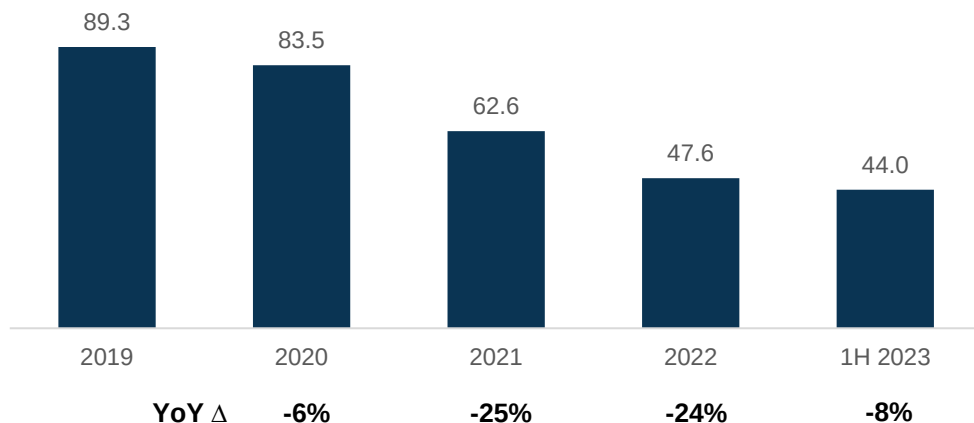


- Substantial consistent cash flow generation supports disciplined capital allocation and drives long-term shareholder value
- Strong cash flow generation in 1H 2023
 - Cash from Operations of \$507 Million
 - Additional Non-Trade Floorplan of \$171 Million
 - Capital Expenditures of \$199 Million

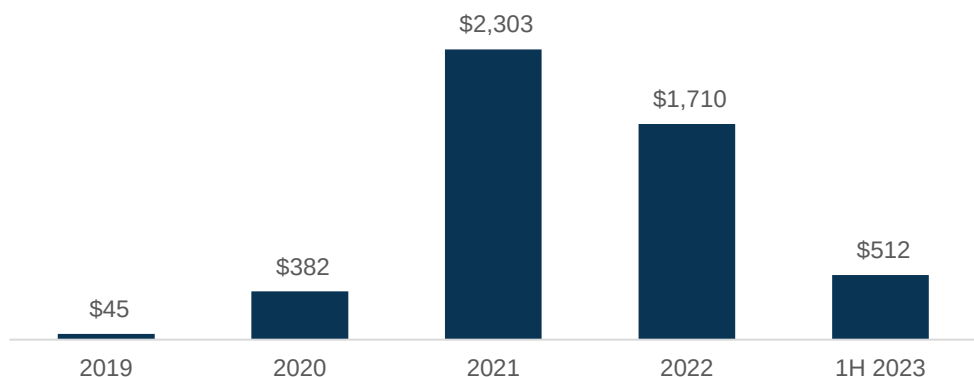
* The change in Non-Trade Floorplan is recognized in Cash Flows from Financing Activities

Shares Outstanding Significantly Reduced

SHARES OUTSTANDING



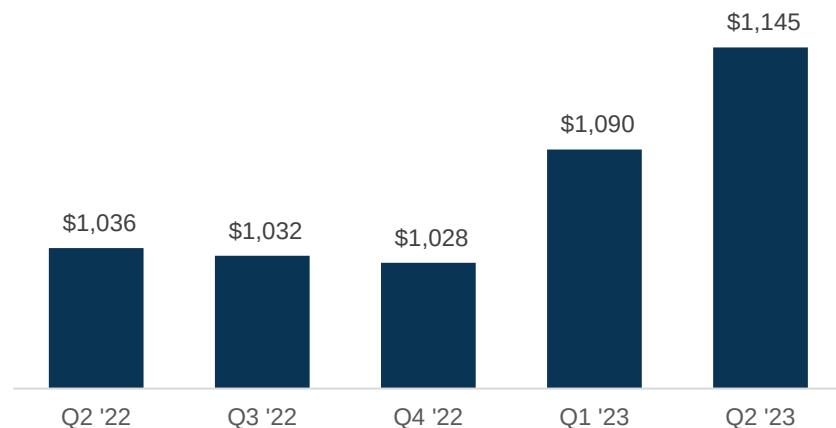
SHARE REPURCHASES (\$MM)



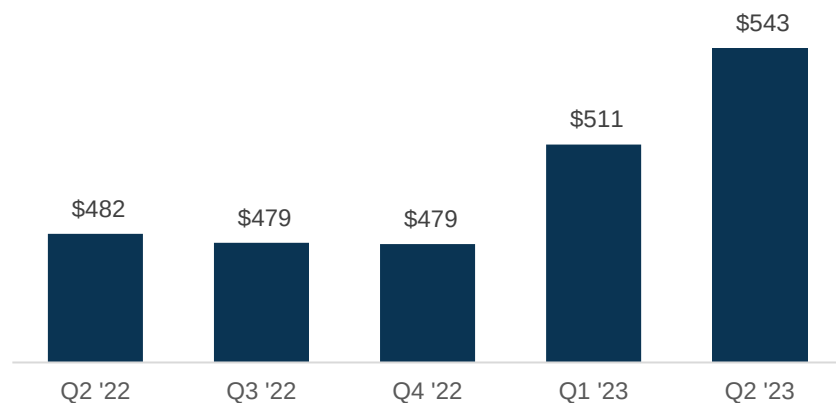
- Investments over the past 3+ years in Share Repurchases have halved shares outstanding
- During Second Quarter 2023, investment of \$207 million to repurchase 1.6 million shares
- Remaining Repurchase Authorization of more than \$670 million
- \$1.4 billion of liquidity, including \$64 million of cash and approximately \$1.3 billion of availability on our credit facilities as of June 30, 2023

After-Sales: Consistently Growing High-Margin Business

REVENUE (\$MM)

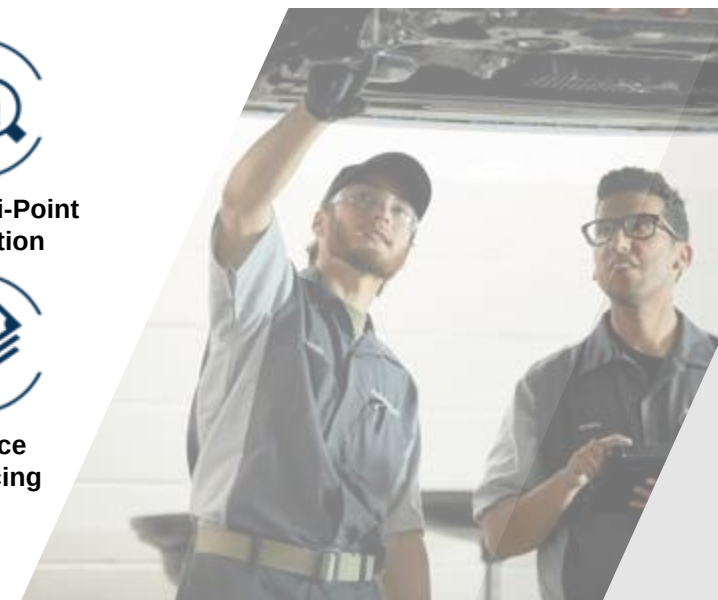


GROSS PROFIT (\$MM)



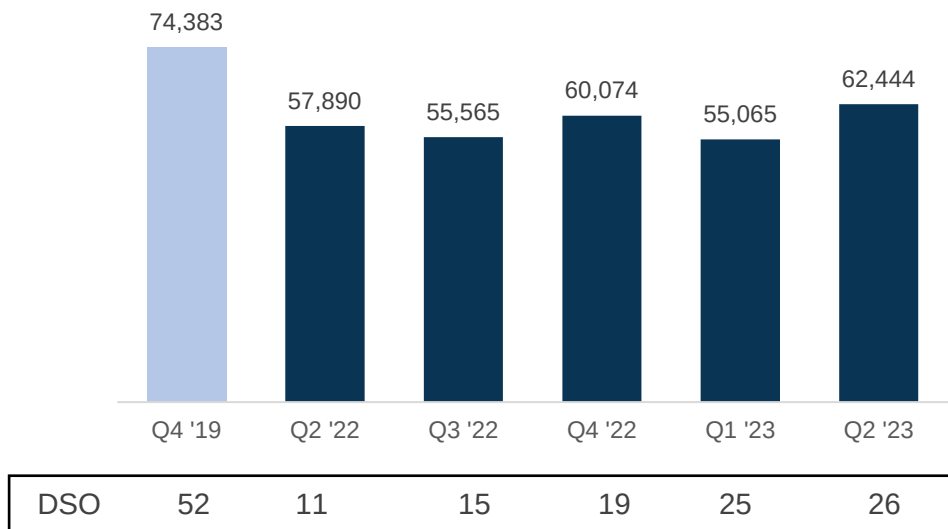
Margin	46.5%	46.4%	46.6%	46.9%	47.4%
--------	-------	-------	-------	-------	-------

- Q2 2023 Revenue growth of >10%
- Q2 2023 Gross Profit up 13% from a year ago
- Compared to FY 2019:
 - TTM Revenue up ~\$720M
 - TTM Gross Profit up ~\$390M

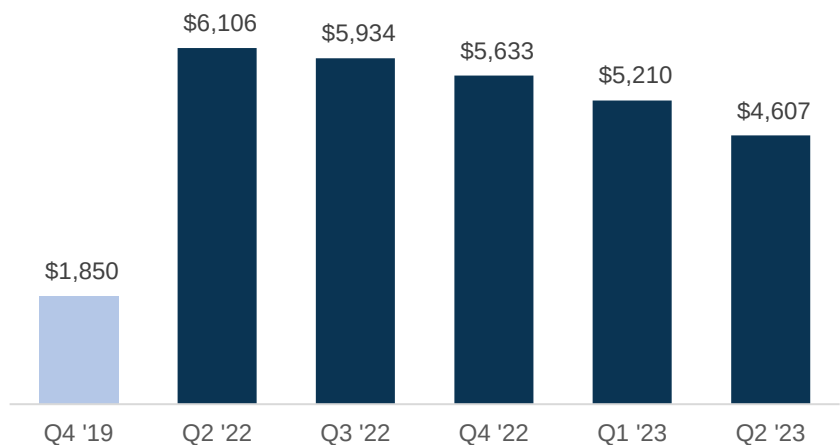


New Vehicles: Continued Robust Performance

NEW RETAIL UNITS



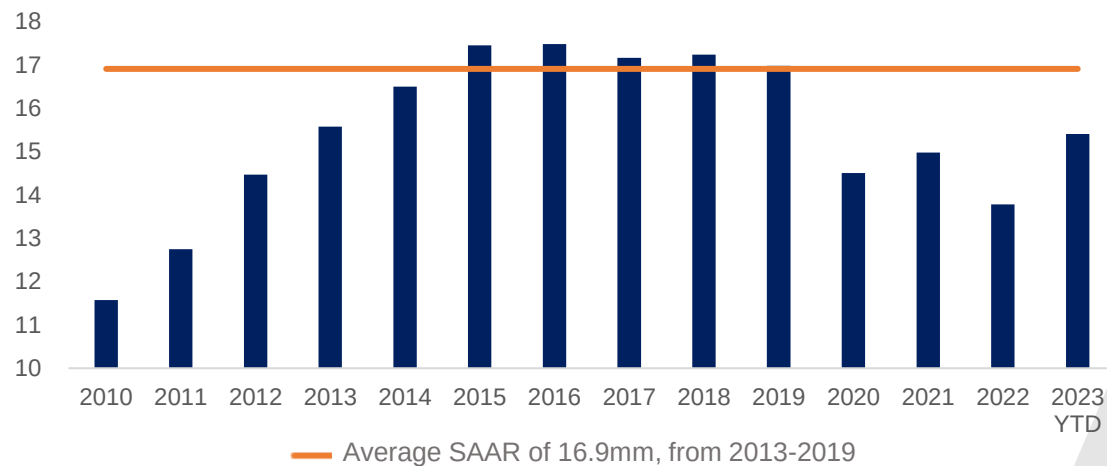
NEW PVR (\$)



*Excludes CFS

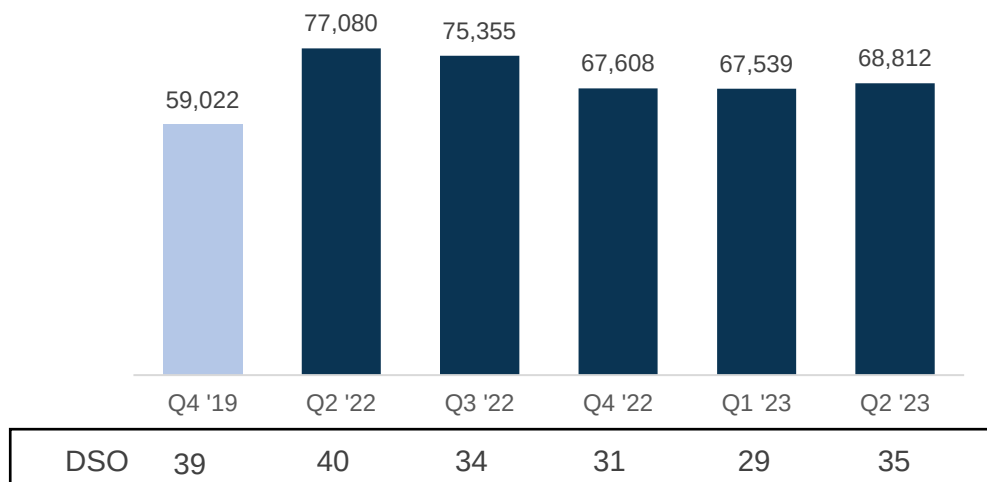
- Industry Unit sales improving but remain below historical levels
- Overall Inventory increasing, varies by brand and model
- Incentives and leasing penetration remain low
- Gross Profit PVRs continue to moderate yet remain robust vs. pre-pandemic levels

SAAR (MM)

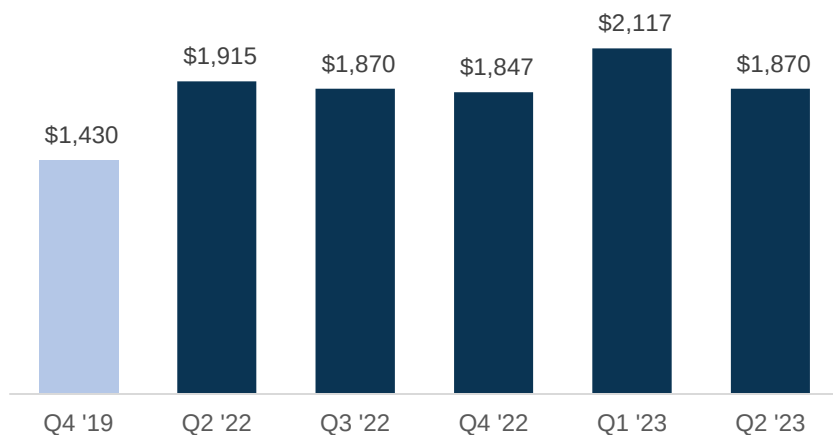


Used Vehicles: Strong Gross Profit

USED RETAIL UNITS



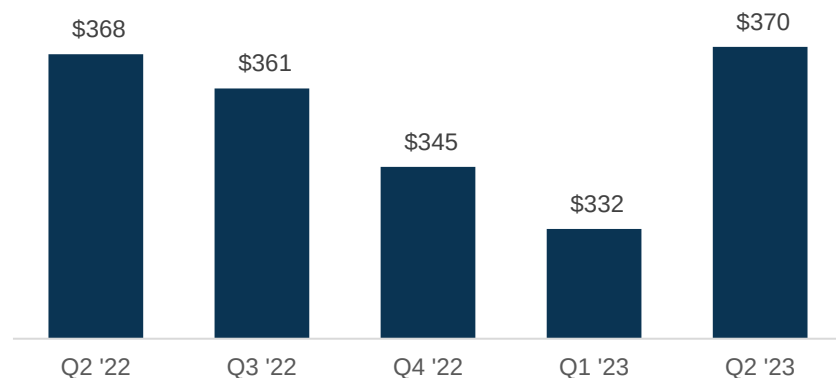
USED PVR (\$)



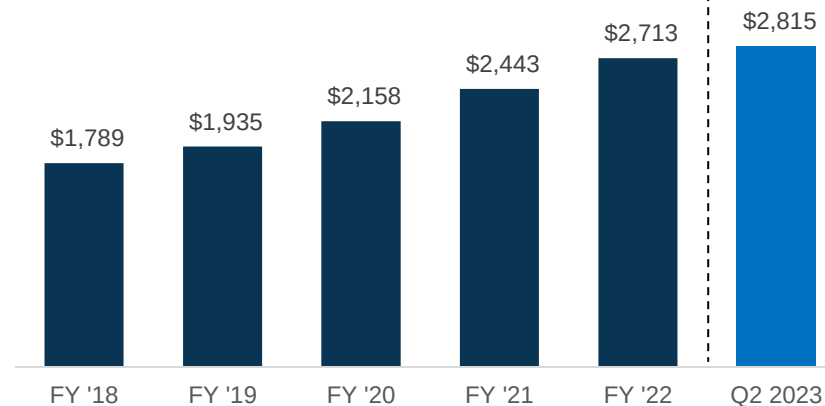
- Enhancing Used vehicle economics through effective self sourcing, reconditioning and pricing
- Q2 units increased sequentially
- Q2 PVRs remain strong and were above Q4 '22
- Limited late model used inventory availability
- Will remain nimble in our approach
- AutoNation unit sales structurally higher than pre-pandemic

Continued Industry Leading Customer Financial Services

REVENUE (\$MM)



PVR (\$)



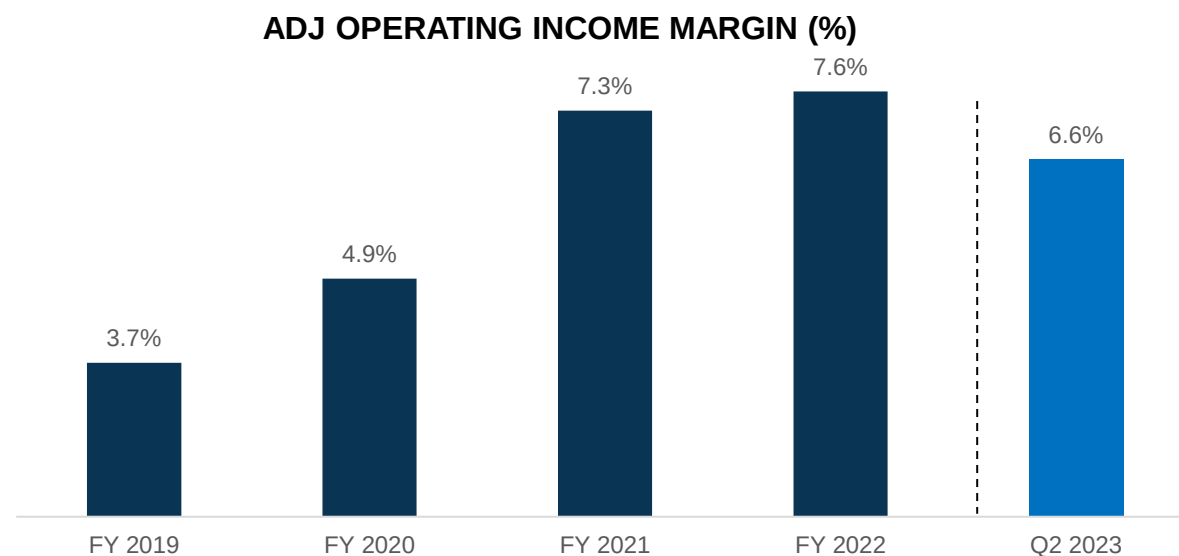
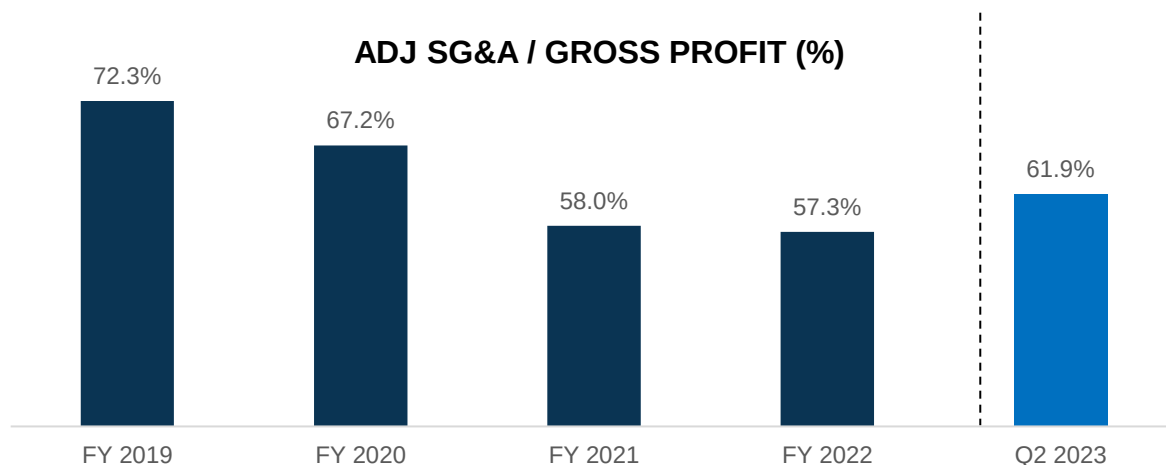
Q2 2023 Results

- Higher PVR offset lower unit volume
- PVR increased \$91 YoY
- Total Retail Units decreased 3%

Drivers and Trends

- Product penetration of 2 products per vehicle
- Vehicle protection products and service contracts
- AutoNation CFS PVR Structurally higher than pre-pandemic

Sustained Profitability: SG&A/Gross & Operating Inc Margin



- SG&A/Gross Profit remains well below historical levels, reflecting continued expense discipline, investments in technology and new business
- AutoNation expects normalized SG&A/Gross Profit to be structurally lower than pre-pandemic levels
- Operating Income Margin remains very healthy vs. pre-pandemic

Appendix

This presentation contains certain non-GAAP financial measures for which we have set forth below reconciliations to the most comparable GAAP measures. The Company believes that these measures improve the transparency of the Company's disclosure, provide a meaningful presentation of the Company's results from its core business operations excluding the impact of items not related to the Company's ongoing core business operations, and improve the period-to-period comparability of the Company's results from its core business operations.

In evaluating these non-GAAP financial measures, you should be aware that in the future we may incur expenses similar to those for which adjustments are made in calculating these measures. Our presentation of these measures should not be construed as a basis to infer that our future results will be unaffected by unusual or non-recurring items. These non-GAAP financial measures may be different from similarly titled measures used by other companies, limiting their usefulness as comparable measures. These non-GAAP financial measures should not be considered as alternatives to net income or cash provided by operating activities or as an indicator of operating performance or liquidity.

Select Historical Data

		Global Financial Crisis to 2022															
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Avg.
New	SAAR (mm)	13.1	10.3	11.5	12.6	14.3	15.4	16.4	17.4	17.5	17.1	17.2	17.0	14.5	14.9	13.7	14.9
	Retail SAAR (mm)	10.6	8.6	9.2	10.3	11.7	12.8	13.6	14.2	14.2	14.1	13.9	13.7	12.4	13.1	11.7	12.3
New	Unit Sales (k)	255.8	183.4	206.5	224.0	267.8	292.9	318.0	339.1	337.6	329.1	310.8	282.6	249.7	262.4	230.0	\$2,467
	ASP (\$k)	\$30.3	\$31.2	\$32.3	\$33.5	\$33.3	\$34.0	\$34.5	\$35.4	\$36.3	\$37.0	\$37.8	\$39.5	\$41.7	\$46.0	\$51.1	
	Gross PVR	\$1,997	\$2,106	\$2,185	\$2,445	\$2,164	\$2,104	\$2,044	\$1,985	\$1,883	\$1,788	\$1,660	\$1,783	\$2,340	\$4,579	\$5,942	
	Margin	6.6%	6.8%	6.8%	7.3%	6.5%	6.2%	5.9%	5.6%	5.2%	4.8%	4.4%	4.5%	5.6%	9.9%	11.6%	
	ASP Y/Y		3%	4%	4%	-1%	2%	2%	3%	3%	2%	2%	5%	6%	10%	11%	
Used	Unit Sales (k)	181.3	135.3	160.1	171.1	181.0	204.6	214.9	227.3	225.7	234.1	237.7	246.1	241.2	304.4	299.8	\$1,608
	ASP (\$k)	\$15.7	\$16.3	\$17.3	\$17.8	\$17.9	\$18.1	\$18.6	\$19.2	\$19.9	\$19.5	\$20.2	\$21.0	\$21.8	\$26.5	\$30.1	
	Gross PVR	\$1,583	\$1,664	\$1,612	\$1,640	\$1,623	\$1,590	\$1,690	\$1,577	\$1,484	\$1,315	\$1,378	\$1,409	\$1,719	\$2,045	\$1,795	
	Margin	10.1%	10.2%	9.3%	9.2%	9.1%	8.8%	9.1%	8.2%	7.5%	6.7%	6.8%	6.7%	7.9%	7.7%	6.0%	
	ASP Y/Y		4%	6%	3%	0%	1%	3%	4%	3%	-2%	3%	4%	4%	21%	14%	
CFS	PVR	\$1,104	\$1,102	\$1,143	\$1,201	\$1,273	\$1,355	\$1,409	\$1,534	\$1,588	\$1,667	\$1,789	\$1,935	\$2,158	\$2,443	\$2,713	
	PVR Y/Y		0%	4%	5%	6%	6%	4%	9%	4%	5%	7%	8%	12%	13%	11%	
After-Sales	Gross (\$mm)	\$1,072	\$935	\$963	\$970	\$1,008	\$1,106	\$1,197	\$1,338	\$1,435	\$1,491	\$1,555	\$1,623	\$1,461	\$1,673	\$1,900	
	Gross Y/Y		-13%	3%	1%	4%	10%	8%	12%	7%	4%	4%	4%	-10%	15%	14%	
Cash From Ops (\$mm)		\$685	\$370	\$252	\$376	\$317	\$484	\$485	\$507	\$516	\$540	\$511	\$769	\$1,208	\$1,628	\$1,668	
Cap Ex (\$mm)		\$110	\$76	\$162	\$158	\$184	\$207	\$198	\$267	\$253	\$333	\$394	\$257	\$137	\$232	\$336	
M&A (\$mm)		\$32	\$0	\$73	\$64	\$142	\$88	\$205	\$322	\$410	\$77	\$67	\$5	\$0	\$433	\$192	
Share Repurchase (\$mm)		\$54	\$136	\$524	\$583	\$581	\$53	\$485	\$235	\$497	\$435	\$100	\$45	\$382	\$2,303	\$1,710	

Non-GAAP Reconciliations

Current Period Reconciliations

Comparable Basis Reconciliations⁽¹⁾

	Three Months Ended June 30,											
	Operating Income		Income from Continuing Operations Before Income Taxes		Income Tax Provision ⁽²⁾		Effective Tax Rate		Net Income		Diluted Earnings Per Share ⁽³⁾	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
From continuing operations, as reported	\$ 439.2	\$ 558.1	\$ 364.8	\$ 504.5	\$ 92.3	\$ 128.0	25.3%	25.4%	\$ 272.5	\$ 376.5		
Discontinued operations, net of income taxes									-	(0.2)		
As reported									272.5	376.3	\$ 6.02	\$ 6.48
Losses from hail storms and other natural catastrophes	16.5	-	16.5	-	4.1	-			12.4	-	\$ 0.27	\$ -
Adjusted	<u>\$ 455.7</u>	<u>\$ 558.1</u>	<u>\$ 381.3</u>	<u>\$ 504.5</u>	<u>\$ 96.4</u>	<u>\$ 128.0</u>	25.3%	25.4%	<u>\$ 284.9</u>	<u>\$ 376.3</u>	<u>\$ 6.29</u>	<u>\$ 6.48</u>

	Three Months Ended June 30,			
	SG&A		SG&A as a Percentage of Gross Profit (%)	
	2023	2022	2023	2022
As reported	\$ 842.9	\$ 754.8	63.1	55.4
Excluding losses from hail storms and other natural catastrophes	16.5	-		
Adjusted	<u>\$ 826.4</u>	<u>\$ 754.8</u>	61.9	55.4

(1) Please refer to the "Non-GAAP Financial Measures" section of the Press Release.

(2) Tax expense is determined based on the amount of additional taxes or tax benefits associated with each individual item.

(3) Diluted earnings per share amounts are calculated discretely and therefore may not add up to the total due to rounding.

Non-GAAP Reconciliations

Historical Adjusted SG&A

(\$ in millions)	Twelve Months Ended December 31, 2022		Twelve Months Ended December 31, 2021		Twelve Months Ended December 31, 2020		Twelve Months Ended December 31, 2019	
	SG&A	SG&A as a Percentage of Gross Profit (%)	SG&A	SG&A as a Percentage of Gross Profit (%)	SG&A	SG&A as a Percentage of Gross Profit (%)	SG&A	SG&A as a Percentage of Gross Profit (%)
As reported (GAAP)	\$ 3,026.1	57.5	\$ 2,876.2	58.1	\$ 2,422.0	67.9	\$ 2,558.6	72.6
Excluding executive separation costs	8.0		5.8		5.5		11.0	
Excluding SG&A costs associated with exit of ACP business					6.9			
Adjusted	\$ 3,018.1	57.3	\$ 2,870.4	58.0	\$ 2,409.6	67.2	\$ 2,547.6	72.3

Non-GAAP Reconciliations

Historical Adjusted Operating Income

(\$ in millions)	Twelve Months Ended December 31, 2022		Twelve Months Ended December 31, 2021		Twelve Months Ended December 31, 2020		Twelve Months Ended December 31, 2019	
	Percentage of Revenue		Percentage of Revenue		Percentage of Revenue		Percentage of Revenue	
	Operating Income	(%)	Operating Income	(%)	Operating Income	(%)	Operating Income	(%)
As reported (GAAP)	\$ 2,024.5	7.5%	\$ 1,902.8	7.4%	\$ 563.2	2.8%	\$ 823.6	3.9%
Net gains on business dispositions and asset impairments	(16.1)		(11.6)		8.4			
Initial credit loss expense associated with acquired loan portfolio	34.2							
Acquisition-related expenses	8.0							
Executive separation costs			5.8		5.5		11.0	
Legal settlement	(6.3)		(5.2)				(7.1)	
ACP inventory valuation adjustment					17.6			
SG&A costs associated with exit of ACP business ⁽¹⁾					6.9			
Other costs associated with exit of ACP business ⁽²⁾					12.2			
Goodwill and franchise rights impairment					375.8		9.6	
Asset impairments and net gains on store/property dispositions							(39.4)	
Adjusted	\$ 2,044.3	7.6%	\$ 1,891.8	7.3%	\$ 989.6	4.9%	\$ 797.7	3.7%

(1) Includes \$3.2 million related to accelerated amortization, \$1.1 million related to involuntary termination benefits, and \$2.6 million related to other closing costs.

(2) Includes \$3.2 million related to contract termination charges, \$3.9 million related to accelerated depreciation, and \$5.1 million related to asset impairments.