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**AutoNation Reports All-Time Record Quarterly EPS
from Continuing Operations**

- EPS from continuing operations an all-time record \$0.90, up 20% compared to the year-ago period
- Total revenue of \$4.9 billion, up 10% compared to the year-ago period, increasing across all major business sectors; operating income of \$207 million, an increase of 11% compared to the year-ago period
- Total retail new and used vehicle unit sales are up 8% compared to the year-ago period
- AutoNation completed acquisition of Mercedes-Benz, Audi, Porsche, and Volvo stores in Seattle-Bellevue, Washington and today announced the award of a new Porsche franchise in Orange County, California
- In 2014, AutoNation has repurchased 8% of its outstanding shares; AutoNation today announced that the Board of Directors increased share repurchase authorization by \$250 million

FORT LAUDERDALE, Fla., (October 28, 2014) —**AutoNation, Inc. (NYSE: AN)**, America’s largest automotive retailer, today reported 2014 third quarter net income from continuing operations of \$107 million, or \$0.90 per share, compared to net income from continuing operations of \$93 million, or \$0.75 per share, for the same period in the prior year, a 20% improvement on a per-share basis.

2014 third quarter revenue totaled \$4.9 billion, compared to \$4.5 billion in the year-ago period, an increase of 10%, driven by stronger performance in all of the Company’s business sectors – new vehicles, used vehicles, parts and service, and finance and insurance. AutoNation’s retail new vehicle unit sales increased 9% overall and 7% on a same store basis, and retail used vehicle unit sales increased 7% overall and 6% on a same store basis.

Mike Jackson, Chairman and Chief Executive Officer, said, “AutoNation delivered its 16th consecutive quarter of double-digit year-over-year growth in EPS. This quarter we set another record for the highest ever quarterly EPS from continuing operations. As we look to 2015, we expect continued growth in new vehicle unit sales, with 2015 industry new vehicle sales above 17 million units.”

Acquisitions

In October 2014, AutoNation completed the acquisition of Mercedes-Benz of Bellevue, Barrier Audi, Barrier Porsche, and Barrier Volvo in the Seattle-Bellevue, Washington market. The annual revenue for these stores is approximately \$355 million.

AutoNation also today announced that Porsche Cars North America has awarded a new Porsche franchise to AutoNation in Orange County, California. AutoNation expects that the new store will open in 2016 and currently anticipates annual revenue of approximately \$100 million once fully operational.

Share Repurchase

During the third quarter of 2014, AutoNation repurchased 4.4 million shares of common stock for an aggregate purchase price of \$235.9 million. Since January 1, 2014, through October 27, 2014, AutoNation has repurchased 8% of its outstanding shares (based on shares outstanding as of December 31, 2013). AutoNation today announced that the Board of Directors authorized the repurchase of up to an additional \$250 million of AutoNation common stock. With the increased authorization, AutoNation has approximately \$281 million remaining Board authorization for share repurchase. As of October 27, 2014, AutoNation had approximately 113 million shares outstanding.

Segment results⁽¹⁾ for the third quarter of 2014 were as follows:

- **Domestic** - Domestic segment income⁽²⁾ was \$77 million compared to year-ago segment income of \$64 million, an increase of 19%.
- **Import** - Import segment income⁽²⁾ was \$77 million compared to year-ago segment income of \$73 million, an increase of 6%.
- **Premium Luxury** - Premium Luxury segment income⁽²⁾ was \$84 million compared to year-ago segment income of \$74 million, an increase of 13%.

For the nine-month period ended September 30, 2014, the Company reported adjusted net income from continuing operations of \$298 million, or \$2.48 per share, compared to net income from continuing operations of \$266 million, or \$2.16 per share for the same period in the prior year, an improvement of 15% on a per-share basis. On a GAAP basis, net income from continuing operations for the nine-month period ended September 30, 2014 was \$303 million, or \$2.52 per share. Reconciliations of non-GAAP financial measures are included in the attached financial tables. The Company's revenue for the nine-month period ended September 30, 2014, totaled \$14.1 billion, up 8% compared to \$13.0 billion for the same period in the prior year.

The third quarter conference call may be accessed by telephone at (888) 769-8515 (password: AutoNation) at 11:00 a.m. Eastern Time or on AutoNation's investor relations website at <http://investors.autonation.com>.

The webcast will also be available on AutoNation's website under "Events & Presentations" following the call. A playback of the conference call will be available after 1:00 p.m. Eastern Time on October 28, 2014 through November 8, 2014 by calling (866) 509-3932 (password 75300).

⁽¹⁾ AutoNation has three reportable segments: Domestic, Import, and Premium Luxury. The Domestic segment is comprised of stores that sell vehicles manufactured by General Motors, Ford, and Chrysler; the Import segment is comprised of stores that sell vehicles manufactured primarily by Toyota, Honda, Nissan, and Hyundai; and the Premium

Luxury segment is comprised of stores that sell vehicles manufactured primarily by Mercedes-Benz, BMW, Lexus, and Audi.

- (2) Segment income represents income for each of our reportable segments and is defined as operating income less floorplan interest expense.

About AutoNation, Inc.

AutoNation is transforming the automotive retail industry through bold leadership. We deliver a superior automotive retail experience through our customer-focused sales and service processes. Owning and operating 277 new vehicle franchises, which sell 34 new vehicle brands across 15 states, AutoNation is America's largest automotive retailer, with state-of-the-art operations and the ability to leverage economies of scale that benefit the customer. As an indication of our leadership position in our industry, AutoNation is a component of the S&P 500 Index.

Please visit investors.autonation.com, www.autonation.com, www.twitter.com/autonation, www.twitter.com/CEOMikeJackson, www.facebook.com/autonation, and www.facebook.com/CEOMikeJackson, where AutoNation discloses additional information about the Company, its business, and its results of operations.

FORWARD-LOOKING STATEMENTS

This news release 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," "plans," "believes," "continues," "may," "will," and variations of such words and similar expressions are intended to identify such forward-looking statements. Statements regarding our expectations for the future performance of our franchises and the automotive retail industry, as well as 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 integrate successfully acquired and awarded franchises and to attain planned sales volumes within our expected time frames; economic conditions generally; conditions in the credit markets and changes in interest rates; the success and financial viability of vehicle manufacturers and distributors with which we hold franchises; factors affecting our goodwill and other intangible asset impairment testing; natural disasters and other adverse weather events; restrictions imposed by vehicle manufacturers; the resolution of legal and administrative proceedings; regulatory factors affecting our business; 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 news release speak only as of the date of this news release, and we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

NON-GAAP FINANCIAL MEASURES

This press release and the attached financial tables contain certain non-GAAP financial measures as defined under SEC rules, such as adjusted net income and earnings per share from continuing operations, which exclude certain items disclosed in the attached financial tables. As required by SEC rules, the Company provides reconciliations of these measures to the most directly comparable GAAP measures. The Company believes that these non-GAAP financial 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.