

**Group 1 Automotive, Inc.**  
**Reconciliation of Certain Non-GAAP Financial Measures**  
(Unaudited, in thousands)

**NET INCOME (LOSS) RECONCILIATION:**

	Three Months Ended:																	
	3/31/2010	6/30/2010	9/30/2010	12/31/2010	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014
As reported	\$ 7,981	\$ 12,769	\$ 18,985	\$ 10,569	\$ 15,362	\$ 24,683	\$ 21,494	\$ 20,855	\$ 23,117	\$ 28,625	\$ 31,335	\$ 17,132	\$ 22,118	\$ 37,388	\$ 32,765	\$ 21,721	\$ 31,303	\$ 16,862
After-tax Adjustments <sup>(1)</sup> :																		
Non-cash asset impairment charges	-	950	1,033	4,947	140	85	2,309	461	-	115	-	4,277	-	369	349	3,319	-	1,067
Mortgage debt refinancing charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Gain) loss on real estate and dealership transactions	-	3,698	(761)	-	-	-	-	-	-	(659)	-	(276)	(356)	(4,785)	(230)	-	-	(316)
(Gain) loss on redemption of long-term debt	2,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,778
Income tax benefit related to tax elections for prior periods	-	-	-	(810)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Catastrophic events	-	-	-	-	-	-	-	-	-	1,658	-	1,219	504	6,757	158	-	-	1,039
Severance costs associated with restructuring activities	-	405	-	-	-	-	-	-	-	-	-	548	-	-	454	237	-	-
Acquisition costs	-	-	-	-	-	-	-	-	-	-	-	1,111	6,968	-	(630)	-	-	-
Valuation allowance for certain deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,629	-
Accrual for pending legal matter/legal settlements	-	-	-	-	-	-	-	641	-	-	-	-	-	-	-	-	-	274
Foreign transaction tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	274
Adjusted net income <sup>(2)</sup>	\$ 10,439	\$ 17,822	\$ 19,257	\$ 14,706	\$ 15,502	\$ 24,768	\$ 23,803	\$ 21,957	\$ 23,117	\$ 29,739	\$ 31,335	\$ 24,011	\$ 29,234	\$ 39,729	\$ 32,866	\$ 28,906	\$ 31,303	\$ 39,978

**ADJUSTED NET INCOME ATTRIBUTABLE TO DILUTED COMMON SHARES RECONCILIATION:**

Adjusted net income	\$ 10,439	\$ 17,822	\$ 19,257	\$ 14,706	\$ 15,502	\$ 24,768	\$ 23,803	\$ 21,957	\$ 23,117	\$ 29,739	\$ 31,335	\$ 24,011	\$ 29,234	\$ 39,729	\$ 32,866	\$ 28,906	\$ 31,303	\$ 39,978
Less: Adjusted earnings allocated to participating securities	597	1,000	1,203	785	918	1,424	1,392	1,182	1,165	1,637	1,641	1,066	1,233	1,692	1,324	1,057	1,156	1,456
Adjusted net income available to diluted common shares	\$ 9,842	\$ 16,822	\$ 18,054	\$ 13,921	\$ 14,584	\$ 23,344	\$ 22,411	\$ 20,775	\$ 21,952	\$ 28,102	\$ 29,694	\$ 22,945	\$ 28,001	\$ 38,037	\$ 31,542	\$ 27,849	\$ 30,147	\$ 38,522

**DILUTED EARNINGS (LOSS) PER SHARE RECONCILIATION:**

	Three Months Ended:																	
	3/31/2010	6/30/2010	9/30/2010	12/31/2010	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014
As reported	\$ 0.32	\$ 0.52	\$ 0.79	\$ 0.45	\$ 0.64	\$ 1.03	\$ 0.91	\$ 0.90	\$ 0.97	\$ 1.20	\$ 1.32	\$ 0.70	\$ 0.88	\$ 1.43	\$ 1.19	\$ 0.81	\$ 1.19	\$ 0.62
After-tax Adjustments:																		
Non-cash asset impairment charges	-	0.04	0.04	0.21	-	-	0.10	0.02	-	0.01	-	0.18	-	0.01	0.01	0.12	-	0.04
Mortgage debt refinancing charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Gain) loss on real estate and dealership transactions	-	0.15	(0.03)	-	-	-	-	-	-	(0.03)	-	(0.01)	(0.01)	(0.18)	(0.01)	-	-	(0.01)
(Gain) loss on redemption of long-term debt	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.76
Income tax benefit related to tax elections for prior periods	-	-	-	(0.04)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Catastrophic events	-	-	-	-	-	-	-	-	-	0.07	-	0.05	0.02	0.26	0.01	-	-	0.04
Severance costs associated with restructuring activities	-	0.02	-	-	-	-	-	-	-	-	-	0.02	-	0.02	0.01	-	-	-
Acquisition costs	-	-	-	-	-	-	-	-	-	-	-	0.05	0.27	-	(0.02)	-	-	-
Valuation allowance for certain deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14	-	-
Accrual for pending legal matter/legal settlements	-	-	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	0.01
Foreign transaction tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
Adjusted diluted income per share <sup>(2)</sup>	\$ 0.43	\$ 0.73	\$ 0.80	\$ 0.62	\$ 0.64	\$ 1.03	\$ 1.01	\$ 0.94	\$ 0.97	\$ 1.25	\$ 1.32	\$ 0.99	\$ 1.16	\$ 1.52	\$ 1.20	\$ 1.08	\$ 1.19	\$ 1.47
Weighted average dilutive common shares outstanding	23,156	23,108	22,433	22,467	22,736	22,651	22,219	22,040	22,532	22,513	22,458	23,244	24,113	24,980	26,342	25,792	25,428	26,242
Participating Securities	1,405	1,374	1,495	1,284	1,450	1,393	1,392	1,276	1,209	1,317	1,245	1,091	1,072	1,112	1,100	983	963	986
Total weighted average shares outstanding	24,561	24,482	23,928	23,751	24,186	24,044	23,611	23,316	23,741	23,830	23,703	24,335	25,185	26,092	27,442	26,775	26,391	27,228

<sup>(1)</sup> Refer to separate reconciliations of certain non-GAAP financial measures within the respective quarterly earnings release schedules for specific tax benefit or tax provision information.

<sup>(2)</sup> We believe that these adjusted financial measures are relevant and useful to investors because they provide additional information regarding the performance of our operations and improve period-to-period comparability. These measures are not measures of financial performance under GAAP. Accordingly, they should not be considered as substitutes for their unadjusted counterparts, which are prepared in accordance with GAAP. Although we find these non-GAAP results useful in evaluating the performance of our business, our reliance on these measures is limited because the adjustments often have a material impact on our financial statements calculated in accordance with GAAP. Therefore, we typically use these adjusted numbers in conjunction with our GAAP results to address these limitations.