

Lithia Enters State of Pennsylvania; Baierl Auto Group Joins Lithia

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Lithia Motors, Inc. (NYSE: LAD) has acquired Baierl Auto Group in Pittsburgh, Pennsylvania, comprised of Toyota, Honda, Subaru, Ford, Chevrolet, Acura, Kia and Cadillac locations in the affluent retail area of Cranberry Township. On an annualized basis, Baierl is estimated to generate \$500 million in revenue and \$0.15 in earnings per share.

"The combination of Baierl and Lithia continues our strategy of acquiring dominant franchises with entrepreneurial leadership ready to further unlock the potential of our new team and brand," said Bryan DeBoer, President and Chief Executive Officer. "Since 1954, Baierl has provided exceptional customer service to the Western Pennsylvania Community and we're pleased to partner with them to accelerate growth. Entering the Pittsburgh market increases our involvement in cutting-edge technology around autonomous transportation and allows us to proactively adapt and learn from the consumer behaviors and trends associated with it."

Baierl joins DCH and Carbone as one of our brands to rapidly grow while sharing best practices and technology. We are expanding an omnichannel retail strategy driven by people to innovate and serve customers throughout the United States.

"We continue to increase the size and agility of our organization, strengthening our capital engine for growth," said DeBoer. "Our strategy of acquiring businesses that have yet to realize their potential provides greenfield rates of return, while the stores we purchased over the past several years supply internal dry powder to deliver earnings growth independent from the new vehicle SAAR as they mature. Our entrepreneurial, people-powered culture allows us to purchase unrealized potential at extremely attractive prices with very low risk and outperform not only auto retail, but all retail."

About Lithia

Lithia Motors, Inc. is one of the largest automotive retailers in the United States and is among the fastest-growing companies in the Fortune 500. With the addition of Baierl, Lithia now sells 30 brands of new vehicles and all brands of used vehicles at 160 stores in 18 states. Lithia also arranges finance, warranty, and credit insurance contracts. In addition, Lithia provides vehicle parts, maintenance and repair services at all of its locations.

Sites

www.lithiamotors.com

www.lithiainvestorrelations.com

www.lithiacareers.com

Lithia Motors on Facebook

www.facebook.com/LithiaMotors

Lithia Motors on Twitter

<http://twitter.com/lithiamotors>

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning the "Safe-Harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements regarding our goals, plans, projections and guidance regarding our financial position, results of operations, market position, pending and potential future acquisitions and business strategy, and often contain words such as "project," "outlook," "expect," "anticipate," "intend," "plan," "believe," "estimate," "may," "seek," "would," "should," "likely," "goal," "strategy," "future," "maintain," "continue," "remain," "target" or "will," and similar references to future periods.

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