

The Kerrigan Index™ Hits All-Time Peak in November

The Kerrigan Index™ powered to an all-time high on Monday, November 16th, up 14.46% in the first half of November. The Kerrigan Index is now up over 25% for the year, outperforming the S&P 500 Index which is only up 12.26% in 2020.

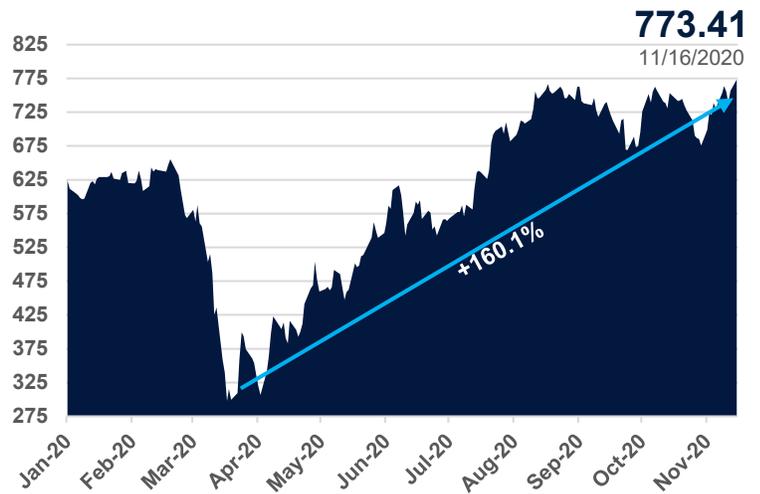
Index	Monthly Change	YTD Change
The Kerrigan Index™	+14.46%	+25.36%
S&P 500 Index	+10.92%	+12.26%

The all-time valuation high coincides with remarkably favorable conditions for automotive retailers: high consumer demand for personal transportation in light of COVID and flight from urban environments, supply constraints that have pushed up gross margins, and digital transactions that have changed operations and brought down costs. According to NADA, average dealership pre-tax profits are up almost 20% year-over-year.

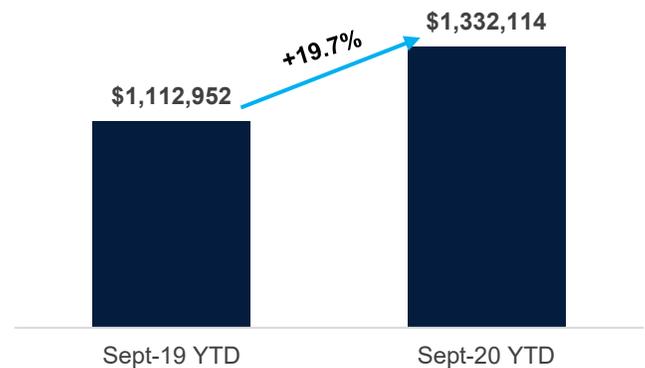
Lithia Motors, the most acquisitive of the group in recent months, is up an impressive 82% year to date and 16% thus far in November. In recent weeks, Lithia has announced the acquisition of nine dealerships from Keyes Automotive Group in Los Angeles and Phoenix, adding \$1.4 billion in revenue, as well as Sterling Motorcars (BMW, MINI, Lamborghini, Rolls-Royce Motor Cars and McLaren) in Northern Virginia, representing \$210 million in revenue – both Kerrigan Advisors' clients.

Sources: SEC Filings, NADA, Yahoo Finance and yCHARTS

THE KERRIGAN INDEX™



Average Dealership Pre-Tax Profit



Methodology

The Kerrigan Index™ is composed of the seven publicly- traded auto retail companies with operations focused on the US market, including CarMax, AutoNation, Penske Automotive Group, Lithia Motors, Group 1 Automotive, Asbury Automotive Group and Sonic Automotive.

The Kerrigan Index™ is weighted by the market capitalization of each company and benchmarked at 100 on 1/3/2000.

About Kerrigan Advisors:

Kerrigan Advisors has the honor of advising the industry's leading dealers through the lifecycle of growing, operating and, when the time is right, monetizing their businesses. In the last five years, we have represented on auto retail's largest transactions, including seven of the Top 150 Dealership Groups, *more than any other firm in the industry*. Kerrigan Advisors works with auto retail's leading families on their growth strategy, capital allocation, real estate and buy/sell transactions. Kerrigan Advisors is often asked to keynote top auto retail conferences, as well as leading manufacturer events. In addition to The Kerrigan Index™ monthly, the firm publishes a quarterly Blue Sky Report®, the industry authority on blue sky multiples and buy/sell trends. To sign up to receive both reports, please email your contact information to info@kerriganadvisors.com or visit our website at www.kerriganadvisors.com.

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