

Lithia & Driveway (LAD) Continues Fast-Paced Growth with Subaru Acquisitions

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MEDFORD, Ore., July 27, 2021 /PRNewswire/ -- Lithia & Driveway (NYSE: LAD) today announced the acquisition of Subaru of Mobile in Mobile, Alabama and Michael's Subaru in Bellevue, Washington, boosting the company's presence in its Northwest and Southeast regions.

By expanding into new markets, such as Mobile, and expanding offerings in prime markets such as greater Seattle, LAD grows closer to its goal of delivering and servicing consumer vehicles within a 100-mile radius anywhere in the country.

With the purchase of Subaru of Mobile, LAD crosses the border into Alabama adding a new state to the Southeast Region, the company's least dense network. Gaining a foothold in the state's third-most populous city represents LAD's ongoing pursuit to complete its presence within the region's three remaining states.

"This Southeast expansion—coupled with growth and outstanding performances of our existing stores—has us outpacing our 5-year Plan," said Bryan DeBoer, LAD President and CEO. "These acquisitions amplify our digital Driveway brand and fuel our fast-paced network development."

The purchase of Michael's Subaru of Bellevue comes on the heels of the Michael's Toyota of Bellevue purchase a few weeks ago, making it LAD's third store in the market. The Michael's Subaru store is one of the strongest in the country and is expected to grow to be a top 10 volume Subaru store in the coming years.

Combined, these two Subaru stores are expected to generate \$155 million in annualized revenues, bringing LAD's total expected annualized revenue acquired to \$8 billion since the announcement of its 5-year Plan to achieve \$50 in earnings per share (EPS) and \$50 billion in revenue by 2025. Both acquisitions were financed using existing on-balance sheet capacity.

About Lithia & Driveway (LAD)

LAD is a growth company powered by people and innovation with a 5-Year Plan to profitably consolidate the largest retail sector in the country. As the leading provider of personal transportation solutions in the United States, LAD is among the fastest-growing companies in the Fortune 500 and is currently ranked #231 (#2 on 10-Year EPS Growth, #3 on 10-Year TSR and #12 on 10-year Revenue growth in 2021). By providing a wide array of products and services for the entire vehicle ownership lifecycle through various consumer channels, they build magnetic brand loyalty. Operational excellence is achieved by focusing the business on convenient and transparent consumer experiences supported by proprietary data science to improve market share, consumer loyalty and profitability. LAD's omni-channel strategy will continue to pragmatically disrupt the industry by leveraging experienced teams, vast owned inventories, technology, and physical network. Continuing to lead the industry's consolidation and Driveway's e-commerce in-home experiences further accelerates the massive regenerating capital engine. Together, these endeavors create a unique and compelling high-growth strategy that provides transportation solutions wherever, whenever, and however consumers desire.