Quarterly Letter from Bryan DeBoer

FALL 2025

Hello, Lithia & Driveway Leaders & Teams,

Looking back at Quarter 3, your ability to earn **L**oyalty, ignite **P**otential, and drive future **G**rowth is solidifying our role as an industry leader and setting the gold standard for customer experiences in automotive retail.

Not only did we achieve our best-ever US Fortune 500 ranking of #124 in 2025, but this quarter, I'm excited to announce our debut at #434 on the Fortune 500 Global List of the world's largest companies! This meaningful milestone reflects our willingness to meet customers wherever, whenever, and however they desire, and it's a testament to YOU and your valuable contributions to our mission, *Growth Powered by People*. Great job!

Earn Loyalty

At Lithia & Driveway, we embrace a customer-first culture, where our main driver is to exceed customer expectations at every turn. We do this by offering simple, transparent experiences within our diverse, omnichannel ecosystem, which is full of choice and convenience.

When we're sharing our passion for cars and service with our customers, we create relationships and partnerships that will bring them (and their friends and families) back throughout the vehicle-ownership lifecycle. We want to offer a more "Amazon-style" customer experience for the auto industry. By that, I mean creating a start-to-finish shopping experience that is seamless while generating value and satisfaction.

When we enhance and enrich the customer experience with solutions and optionality—such as with Driveway Finance Corporation (DFC) or with aftersales products and services—we *Earn Customers for Life*.

Ignite Potential

Within our high-performing culture, execution is key to igniting store and department net potential in 2025 and beyond. Now's the time to be creative and rethink how we drive sales and aftersales. The "10-10-10" year-over-year growth approach will help us achieve our full potential:

- **10%+ New Vehicle Sales**—Strategize together to achieve store sales goals efficiently. How can you nurture the best experiences for customers in your role?
- **10%+ Used Vehicle Sales**—Encourage each other to embrace new ideas that will increase inventory. How can you optimize Driveway, DFC, and GreenCars?
- **10%+ Aftersales**—Use the LAD ecosystem to multiply post-purchase customer touchpoints. How can the My Driveway customer portal increase such connections?
- **15–20%+ Store & Department Net Profit**—Growing your revenue at 10% with a minimum of 50% throughput translates into big profits. How can you challenge yourself to find new ways to bring your growth to the bottom line?

Drive Growth

Remember that *Growth Powered by People* is achieved when store leaders stay humble and nimble, making management decisions to *Improve Constantly*, and when every team member knows how their unique role creates customer connections.To maintain our forward motion, we need to remember that building loyalty, igniting potential, and driving growth applies to every corner of the organization.

Each element of our ecosystem—stores, digital platforms, and industry adjacencies—is building traction and gaining speed. We're increasing market share and productivity by leveraging our vast locations and inventory with digital platforms, such as Driveway, GreenCars, the My Driveway customer portal, and DFC.

In addition to our ecosystem, strategic acquisitions remain a core pillar of our growth model. This quarter, we expanded our footprint in the US Southeast region with the addition of three stores—Acura, Hyundai, and Genesis—in West Palm Beach, Florida, as well as Stivers Decatur Subaru in the Atlanta, Georgia market. It's great to have you all on board!

Focus on LPG

As we roll into the final two months of our 2025 LAD Partners Group results, the competition has never been closer and more successful. With both stores and departments included this year, we're looking for a strong close to the year, and improvement on a year-to-year basis is a key element to winning this prestigious award.

Since "most improved" and year-over-year growth make up a crucial part of this award, most of your departments and stores are still in the hunt—so push hard to secure every customer and to create amazing and memorable experiences.

As we amplify **L**oyalty, **P**otential, and **G**rowth, remember that every customer matters; every role contributes; and every step forward moves us closer to being the best customer-driven retailer in the industry!

Let's Roll!



Bryan DeBoer
President & CEO