



LITHIA MOTORS, INC.

SHAREHOLDER COMMUNICATION POLICY

Management of the Company is primarily responsible for communicating with and responding to shareholders, investors, analysts, the media and the general public. Consequently, the vast majority of communications with the Company are handled by our Investor Relations Department and directed to the appropriate individuals within the Company. You may contact our Investor Relations Department by telephone, e-mail or in writing with specific questions or concerns relating to operational issues, financial information and stock ownership. The Board of Directors, however, recognizes that there may be extraordinary circumstances in which it may be more appropriate to direct communications to the attention of the Board of Directors or an individual director. All inquiries regarding corporate governance should be directed to the Chair of the Nominating and Governance Committee.

If you need to communicate with the Board of Directors, please adhere to the following procedures:

- All communications must be in writing (facsimiles accepted), directed to the attention of the Board of Directors, or a specific board member, and addressed to the Investor Relations Department.
- The Investor Relations Department will review the communication and direct it to the appropriate Company individuals if the matter is better addressed by management. The Investor Relations Department will also provide a copy of the communication to the Lead Independent Director and, if appropriate, to the named board member.
- Complaints relating to Company accounting or auditing matters must be directed to the attention of the Audit Committee and addressed to the Director of Internal Audit who reports to the Audit Committee. Our Director of Internal Audit will forward the communication to the Audit Committee Chairman. Alternatively, those who wish to make a confidential, anonymous report may do so at: lithiaemployeefeedback.com or by calling (800) 224-8168 (the Company's third-party hotline).
- You may submit communications to the Board of Directors, any individual board member or to our Director of Internal Audit, anonymously or confidentially, by mailing your correspondence to such person or persons at the Company's address below or sending an e-mail to our Director of Internal Audit at Internal_Audit@lithia.com.

Contact Information:

For General Shareholder Matters

Investor Relations #: (541) 864-1729

Investor Relations email:

EPitt@lithia.com

Mailing Address:

Lithia Motors, Inc.

150 N. Bartlett Street

Medford, Oregon 97501

Attn: Investor Relations Department

For Accounting or Auditing Matters

Director of Internal Audit #: (541) 864-1729

Director of Internal Audit E-mail:

Internal_Audit@lithia.com

Mailing Address:

Lithia Motors, Inc.

150 N. Bartlett Street

Medford, Oregon 97501

Attn: Director of Internal Audit