

INSPIRING
ACTION 
CREATING **IMPACT**
2019 Impact Report





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Welcome Letter from the President & CEO

To Our Associates, Business Partners and Friends,

Last year was one for the record books. We thrived in 2019, with record revenue of \$17.7 billion. Looking back on the year, I see the hard work, dedication and ingenuity of our associates. We are 4,300 associates strong connected by our company's guiding principles.

In addition to last year's impressive 8.5% annual revenue increase, 2019 was remarkable for many reasons. We broke sales records across all of our businesses. We explored new markets and diversified our company with the acquisition of Home Franchise Concepts. We watched construction progress on our state-of-the-art Deerfield Beach, Florida headquarters, and we made major headway on our new Vehicle Processing Center in Commerce, Georgia. Along with these achievements, we continued to be trusted corporate partners in our communities and leaders in environmental stewardship, and many of the accomplishments are detailed in this report.

Although Jim Moran Boulevard may look a little different these days, our long-standing traditions of Consideration, Cooperation and Communication remain the same. These values, established by our founder Mr. Moran, along with Innovation and Accountability, represent a critical piece of our culture and will always lead us as we continue to explore new and innovative ways of doing business and sharing our collective success with others.

More than 50 years ago, our founder Jim Moran started JM Family Enterprises on the foundational belief that our associates are our most important asset. Our associates continue to be well-equipped to tackle challenges and remain committed to meeting the needs of our customers, partners and the community. I am confident that we will be an even stronger company when we reflect on 2020.

Together, we do it better.

Brent Burns
President & CEO

Company Overview

JM Family is a leader in the automotive industry and operates our primary business units and supporting companies: Southeast Toyota Distributors, Southeast Toyota Finance, JM&A Group, JM Lexus and DataScan.

In 2019, JM Family expanded outside its core automotive business with the acquisition of Home Franchise Concepts.

In partnership with our business units, JM Family's Corporate Group serves as an internal support team to the entire organization. It incorporates functions like Accounting, Finance, Legal, Human Resources, Talent Management and Information Technology.



2019 Key Stats

Revenue:
\$17.7 Billion
Up from \$16.3 Billion in 2018





4,362 Associates
as of December 31, 2019

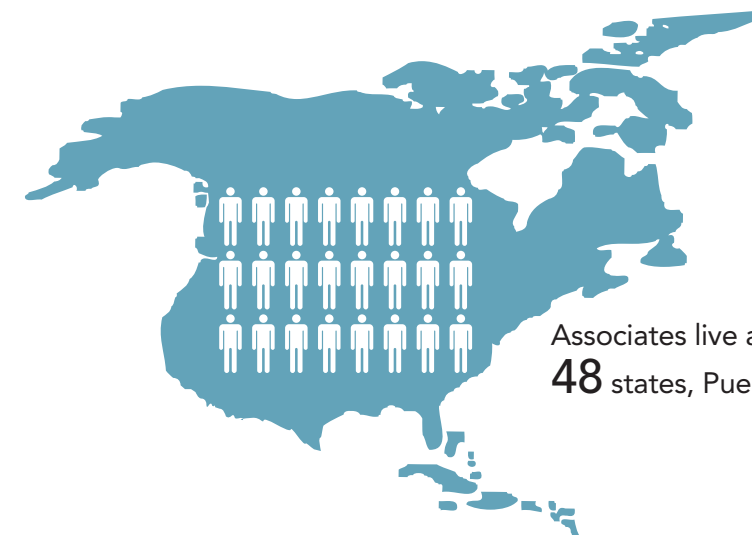

No. 20 on *Forbes'* list of
America's Largest Private Companies
Leading automotive company



No. 26 on FORTUNE's 100 Best Companies to Work For list
22 Consecutive Years!




44%
of associates have been with the company for 10 or more years



Associates live and work in
48 states, Puerto Rico and Canada



Leadership Profiles



Colin Brown
Chairman of the Board
JM Family
Joined 1992



Brent Burns
President & Chief Executive Officer
JM Family
Joined 2000



Ron Coombs
Executive Vice President &
Chief Financial Officer, JM Family
Joined 1999



Carmen Johnson
Executive Vice President,
Human Resources & Legal, JM Family
Joined 2007



Dan Chait
Executive Vice President, JM Family
President, Southeast Toyota Finance
Joined 2002



Forrest Heathcott
Executive Vice President, JM Family
President, JM&A Group
Joined 1993



Ed Sheehy
Executive Vice President, JM Family
President, Southeast Toyota Distributors
Joined 1999





Southeast Toyota Distributors, LLC

Southeast Toyota Distributors is the world's largest independent distributor of Toyota vehicles, parts and accessories.

southeast.buyatoyota.com



TOYOTA
177 independent Toyota dealers retailed 380,129 vehicles in 2019



Share of Toyota's total U.S. retail sales reached an all-time high of 20.6%

Fleet sales for 2019 121,548



\$575 million in parts and accessories sold



Combined retail and fleet sales totaled 501,677 vehicles representing 24.3% of Toyota's total U.S. sales volume



Southeast Toyota Finance

Southeast Toyota Finance is the captive finance company for Toyota dealers in the southeast United States, providing financial products and services to consumers and dealers.

southeasttoyotafinance.com



In the southeast,
nearly 62%
of all new Toyota vehicles
were financed or leased
through Southeast Toyota
Finance



Served **769,986**
finance and lease accounts
in support of Southeast
Toyota dealers at
year-end 2019



261,341
retail and lease contracts
purchased in 2019, totaling
\$7.8 billion
in support of Southeast Toyota
dealers, an all-time volume record





JM&A Group is one of the largest providers of automotive finance and insurance (F&I) products nationwide. Through our network of field associates, we work directly with our dealer partners to identify opportunities for growth, business development and increased efficiencies. Our industry-leading solutions help dealers maximize performance and drive increased profitability across all areas of their business.

jmagroup.com



Customer Service Team answered more than **2.1 million** calls and paid out more than \$525 million in claims in 2019



JM&A products are offered at **3,800 new vehicle dealers** nationwide



Approximately **13.4 million** contracts in force



The Performance Development Center trained more than **6,000 dealership associates** in 2019, helping them master industry regulations and maximize sales opportunities



Nearly **\$2.3 billion** in reserves



1 in 10 vehicles sold by new franchise dealers in the U.S. includes a JM&A product





DataScan provides clarity to wholesale loan accounting and manages risk with a holistic auditing solution by leveraging advanced technology and highly skilled associates to simplify the complex risk management process. As a global leader, DataScan offers comprehensive solutions to banks, independent finance companies and captive financial institutions.

onedatascan.com



Solutions provided to
58 clients
across North America



425+

field professionals



conducted approximately **300,000 audits**
and verified over **18 million units** and
\$180 billion of assets serviced by DataScan



8 of the **top 10** banks
in North America
and **9** of the **top 10**
captive auto finance
companies are
DataScan clients



Retailed
5,015 new and
2,104 pre-owned
vehicles in 2019



JM Lexus is the nation's largest volume
Lexus Plus dealership.



Lexus Plus is a unique sales experience with a
single point of contact from start to finish, and
the best upfront price with no dealer fees

jmlexus.com

JM Lexus celebrated
30 years of
excellence
in 2019





HOME FRANCHISE CONCEPTS®

Home Franchise Concepts is a family of companies that sells home improvement products and services through a network of nearly 1,700 franchise locations in the United States, Canada and Mexico.

homefranchiseconcepts.com

Our family of brands:



Scott Barrett
JM Family Board Member & Senior Advisor,
Home Franchise Concepts

Leading the Way with Our Brands:

- Innovation
- Customization
- Inspiration
- Social Responsibility



Number of
franchise territories
1,700

Ranked No. 1
window coverings
franchise since 1996 by
Entrepreneur Magazine



Economic Impact by State

with Major Business Operations

Alabama

Southeast Toyota Finance

Associates
366

Payroll
\$27,890,913

Sales Tax
\$1,354,516

Local Purchases
\$13,279,791

Taxes
\$77,332

Florida

All Business Units Represented

Associates
2,619

Payroll
\$433,718,608

Sales Tax
\$37,318,162

Local Purchases
\$189,786,737

Taxes
\$4,021,992

Georgia

Southeast Toyota Distributors
DataScan

Associates
405

Payroll
\$54,675,883

Sales Tax
\$267,064

Local Purchases
\$165,343,262

Taxes
\$311,012

Missouri

JM&A Group
Southeast Toyota Finance

Associates
323

Payroll
\$24,599,972

Sales Tax
\$26,701

Local Purchases
\$24,249,207

Taxes
\$219,688

Southeast Toyota's
Retail Sales by State

Alabama
29,625

Florida
187,983

Georgia
66,110

North Carolina
65,524

South Carolina
30,887



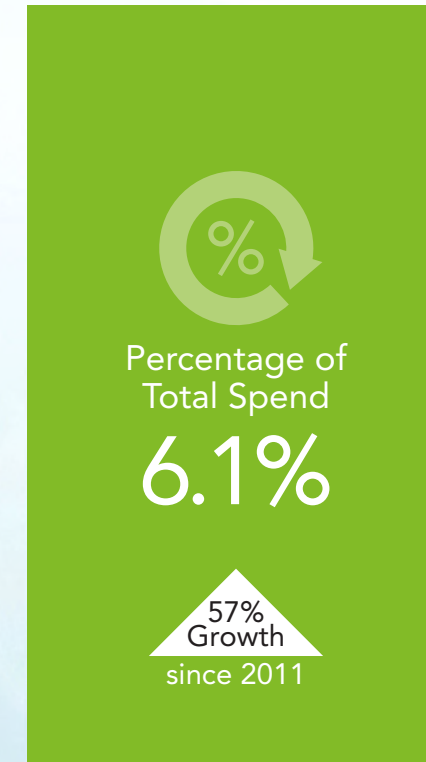
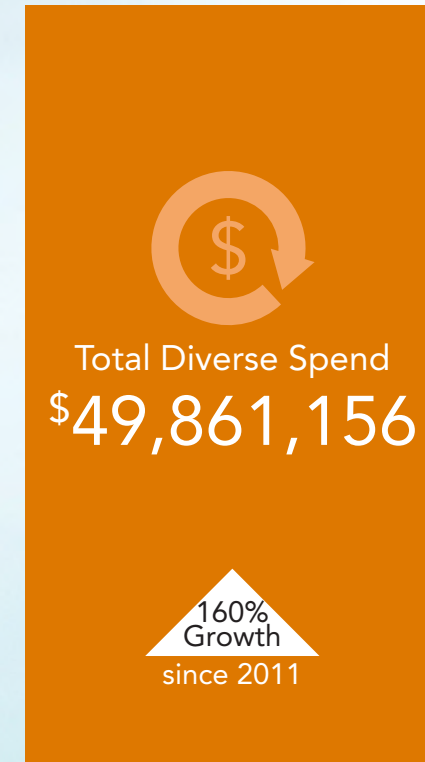
Supplier Diversity

At JM Family, we believe in partnering with a supplier base that is reflective of the many backgrounds and experiences of our workforce, diverse automotive products and services, and varied customers and business partners we serve.

Our philosophy is to build long-term, sustainable and mutually beneficial relationships with highly qualified minority- and women-owned businesses* as an essential component of our continued growth and success.



2019 Diversity Spend



*For the purpose of JM Family's Supplier Diversity Policy and Statement, minority-owned businesses are defined as enterprises certified by the NMSDC or one of its regional affiliates. Similarly, women-owned businesses must be certified by WBENC or one of its affiliates. In Canada, JM Family recognizes minority-owned businesses that are certified by the Canadian Aboriginal and Minority Supplier Council (CAMSC) and women-owned businesses that are certified by WEConnect Canada.

Corporate Community Impact



JM Family focuses on three areas of giving:

- Empowering Families
- Promoting Education
- Embracing the Environment



Our founder Jim Moran instilled the spirit of giving back as an integral part of who we are. We inspire action and engage our associates to strengthen the communities in which we live and work. We pursue that goal through support and volunteerism. We contribute our time and talents to impact diverse causes driven by our culture, associates and the community.



15,000 hours

volunteered by more than 1,200 associates at 230 company-sponsored events



More than
\$27.5 million
donated to nonprofit organizations



39 JM Family leaders served on nonprofit boards of directors



Community Impact

SPRING INTO GIVING

\$79,069
by associates to support our six food bank partners



United Way Campaign

A record-breaking campaign across four locations!

\$640,110 raised

by our associates in Alpharetta, Jacksonville, Mobile and South Florida to support United Way.



More than **778 associates** volunteered **5,806 hours** through our paid volunteer time off program



African-American Achievers

JM Family honored four outstanding individuals in the categories of Arts & Culture, Business & Entrepreneurism, Community Service and Education.

Each Achiever received a **\$10,000 contribution** to the charity of his/her choice. In addition, a Youth Achiever was recognized and awarded a needs-based, four-year scholarship to Florida State University.



\$170,000 in immediate financial assistance provided to **87 associates** who faced hardship, including the loss of an immediate family member, or damage to their home by natural or man-made disasters



+ Donated nearly **\$277,900** to provide assistance following national disasters in 2019, including:

- **\$500,000** collaborative combined contribution to American Red Cross between JM Family and Southeast Toyota (\$150,000), along with Toyota Motor North America and Gulf States Toyota.
- **\$127,900** combined corporate and associate donations to support relief and recovery efforts for Hurricane Dorian.

Environmental Action



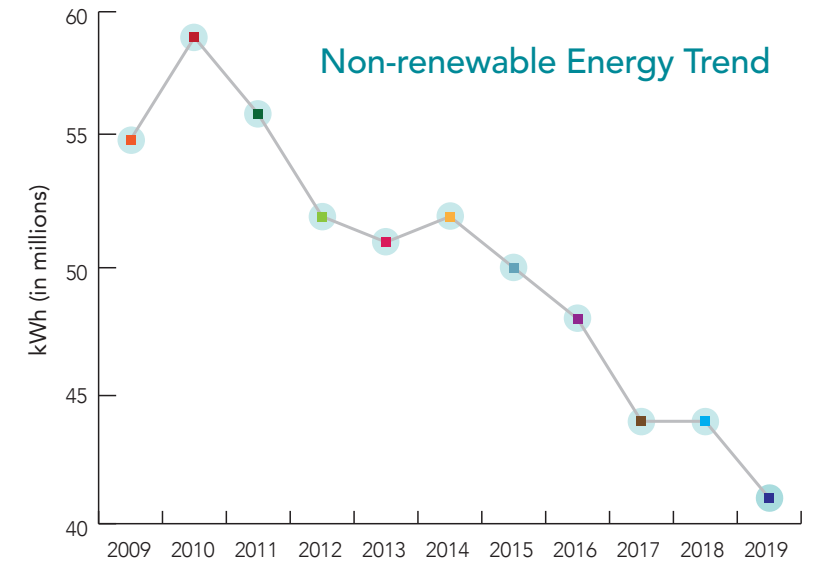
We believe that giving back to the communities where our associates live and work is tightly connected to conducting business with consideration for the environment.

Together this demonstrates our long-held beliefs that doing the right thing not only feels good, but simply makes good business sense.



Energy Conservation

In 2019, we consumed approximately 41.8 million kilowatt-hours (kWh) of non-renewable energy, which is a 7% reduction from 2018 due largely in part to the divestment of properties including the JM Lexus pre-owned facility.



Solar Portfolio

JM Family currently operates seven roof-top solar arrays: three at the Deerfield Beach, Fla. headquarters, two at JM Lexus in Margate, Fla. and two at DataScan in Alpharetta, Ga.

In 2019, our solar arrays produced 749,506 kWh of clean, renewable energy. Consuming the same amount of electricity from non-renewable means would emit 355 metric tons of carbon dioxide equivalents (mtCO₂e), which is comparable to emissions from:



Burning 39,946 gallons of gasoline

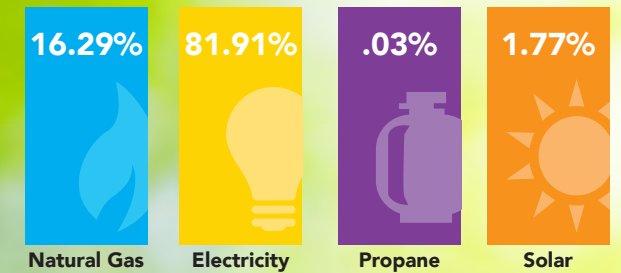


Consuming 822 barrels of oil

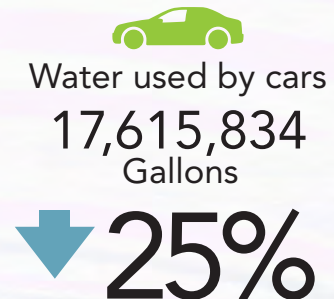
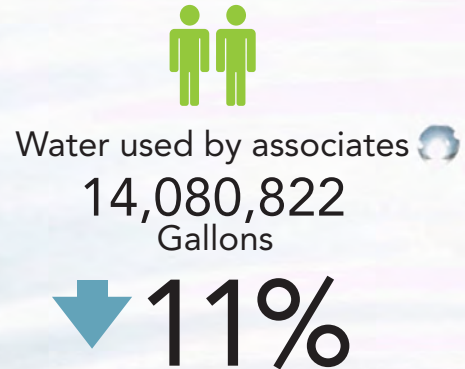
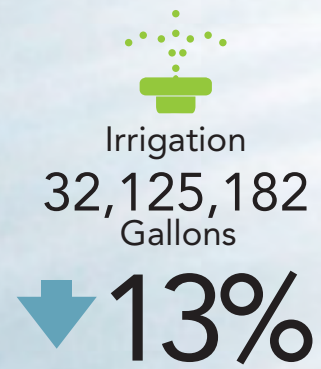


Electricity use of 41 homes for one year

2019 Energy Mix

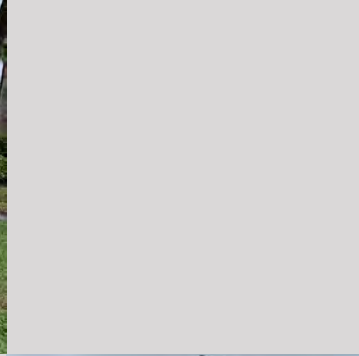


Water Conservation



Waste Reduction and Recycling





Building Our Future

Deerfield Beach, Fla.

The \$150 million project will feature three new office buildings with multi-function spaces to support collaboration, flexibility and innovation among our associates. The pedestrian-friendly, state-of-the-art campus will also include green spaces, a two-story dining facility and a 55,000-square-foot Welcome Center with exciting new amenities.



Commerce, Ga.

Southeast Toyota Distributors is building a new \$90 million facility with six buildings totaling 330,000 square feet in Jackson County, across the street from where it currently processes 140,000 vehicles annually for distribution to Toyota dealers.

The facility is estimated to be completed in May 2020 and incorporates associate feedback for an improved work environment with enhancements to comfort, productivity and efficiency.





Our Family of Companies:



#JMFamilImpact

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