

JONES DON H
Form 4
February 28, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
JONES DON H

(Last) (First) (Middle)

360 E. JACKSON ST.

(Street)

MEDFORD, OR 97501

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
LITHIA MOTORS INC [LAD]

3. Date of Earliest Transaction
(Month/Day/Year)
02/24/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)

Sr. Vice President, Retail

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (A) or Price (D)		
Class A Common	02/24/2005		M		3,636 A \$ 1	30,683	D
Class A Common	02/24/2005		M		1,935 A \$ 1	32,618	D
Class A Common	02/24/2005		S		4,571 D \$ 26.01	28,047	D
Class A Common	02/24/2005		S		1,000 D \$ 26.09	27,047	D
Class A Common						10,664	I By 401(k)

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Option (2001nq) (right to buy)	\$ 19.24					12/26/2006 12/26/2011	Class A Common 2,803
Stock Option (1997) (NQ) (right to buy)	\$ 1	02/24/2005		M	3,636	<u>(1)</u> 12/31/2005	Class A Common 3,636
Stock Option (1998) (NQ) (right to buy)	\$ 1	02/24/2005		M	1,935	<u>(1)</u> 12/31/2008	Class A Common 1,935
Stock Option (1998) (ISO) (right to buy)	\$ 14.75					01/01/2003 12/31/2005	Class A Common 4,000
Stock Option (1999) (ISO) (right to buy)	\$ 16.5					01/01/2004 01/01/2009	Class A Common 4,000

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buy)						
Stock Option (2000) (ISO) (right to buy)	\$ 16.75	01/06/2005	01/06/2010	Class A Common	4,000	
Stock Option (2000a) (ISO) (right ot buy)	\$ 16.75	<u>(2)</u>	01/06/2010	Class A Common	14,446	
Stock Option (2000c) (NQ) (right to buy)	\$ 16.75	<u>(3)</u>	01/06/2010	Class A Common	5,554	
Stock Option (2001iso) (right to buy)	\$ 19.24	12/26/2006	12/26/2011	Class A Common	5,197	
Stock Option (2002iso) (right to buy)	\$ 15.13	12/26/2007	12/26/2012	Class A Common	6,609	
Stock Option (2002nq) (right to buy)	\$ 15.13	12/26/2007	12/26/2012	Class A Common	1,391	
Stock Option (right to buy)	\$ 29.42	03/11/2009	03/11/2010	Class A Common	8,001	
Stock Option (right to buy)	\$ 27.58	02/09/2010	02/09/2011	Class A Common	12,000	
Stock Option (2001) (NQ)	\$ 1	12/26/2005	12/26/2010	Class A Common	8,000	

(right to
buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
JONES DON H 360 E. JACKSON ST. MEDFORD, OR 97501			Sr. Vice President, Retail	

Signatures

By: Cliff E. Spencer, Attorney in
Fact for 02/28/2005

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The options vest as to 20% of the total grant on the date of grant and 20% each anniversary date thereafter.
- (2) The option vests as follows: 4,000 on 1/6/01; 4,000 on 1/6/02; 2,447 on 1/6/03; 2,029 on 1/6/04 and 1,970 on 1/6/05
- (3) The options vest as follows: 1,553 on 1/6/03; 1,971 on 1/6/04; and 2,030 on 1/6/05

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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