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

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): October 24, 2019**

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**SONIC AUTOMOTIVE, INC.**  
(Exact name of registrant as specified in its charter)

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Delaware  
(State or other jurisdiction  
of incorporation)

1-13395  
(Commission  
File Number)

56-2010790  
(IRS Employer  
Identification No.)

4401 Colwick Road  
Charlotte, North Carolina  
(Address of principal executive offices)

28211  
(Zip Code)

Registrant's telephone number, including area code: (704) 566-2400

Not Applicable  
(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, par value \$0.01 per share	SAH	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition.**

On October 24, 2019, Sonic Automotive, Inc. (the “Company”) issued a press release announcing its financial results for its fiscal third quarter ended September 30, 2019 (the “Earnings Press Release”). A copy of the Earnings Press Release is attached hereto as Exhibit 99.1 and a copy of the earnings call presentation materials is attached hereto as Exhibit 99.2.

**Item 7.01. Regulation FD Disclosure.**

On October 24, 2019, in the Earnings Press Release, the Company announced the approval of a quarterly cash dividend.

**Item 9.01. Financial Statements and Exhibits.**

(d) *Exhibits.*

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release of Sonic Automotive, Inc., dated October 24, 2019.</a>
99.2	<a href="#">Earnings Call Presentation Materials.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

The information in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2 attached hereto, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SONIC AUTOMOTIVE, INC.**

October 24, 2019

By: /s/ STEPHEN K. COSS

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Stephen K. Coss

Senior Vice President and General Counsel

***Sonic Automotive Reports Third Quarter 2019 EPS of \$0.66, Up 83%  
EchoPark Revenues Up 67.9% and Tracking \$1.2 Billion for Full Year 2019  
EchoPark Pre-Tax Income Up 138.9%***

CHARLOTTE, N.C. – October 24, 2019 – Sonic Automotive, Inc. (NYSE: SAH), one of the nation’s largest automotive retailers, today reported financial results for the third quarter of 2019.

- EchoPark revenues of \$312.2 million during the third quarter of 2019, up 67.9% from the third quarter of 2018.
- EchoPark pre-tax profit improved \$7.6 million, or 138.9%, to \$2.1 million in the third quarter of 2019, compared to a pre-tax loss of \$5.5 million in the third quarter of 2018.
- EchoPark generated Adjusted EBITDA\* of \$6.4 million in the third quarter of 2019, improving by \$9.4 million from the third quarter of 2018.
- EchoPark retailed 13,206 pre-owned units during the third quarter of 2019, up 71.6% from the third quarter of 2018.
- Total Sonic consolidated continuing operations earnings per diluted share of \$0.66 in the third quarter of 2019, compared to \$0.36 in the third quarter of 2018, an 83.3% increase from the third quarter of 2018.
- Total Sonic consolidated all-time quarterly record pre-owned retail unit sales of 42,453 units in the third quarter of 2019.
- Total Sonic same store Fixed Operations gross profit increased \$11.4 million in the third quarter of 2019, up 7.3% from the third quarter of 2018.
- Total Sonic consolidated all-time quarterly record F&I gross profit per retail unit of \$1,771 in the third quarter of 2019, an increase of \$266 per unit from the third quarter of 2018.
- Total Sonic consolidated all-time quarterly record F&I gross profit of \$126.8 million in the third quarter of 2019, an increase of 29.3% from the third quarter of 2018.
- SG&A to gross profit ratio of 76.7% in the third quarter of 2019, an improvement of 350 basis points compared to the third quarter of 2018.

\* Adjusted EBITDA is a non-GAAP financial measure. The schedules included in this press release reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure.

### **Third Quarter 2019 Results**

Net income from continuing operations for the third quarter of 2019 was \$29.2 million, or \$0.66 per diluted share. Comparatively, net income from continuing operations for the third quarter of 2018 was \$15.3 million, or \$0.36 per diluted share. Results reported for the third quarter of 2018 include pre-tax charges totaling \$3.1 million related to storm damage, executive transition costs and charges related to the disposal of franchises.

### **Commentary**

David Smith, Sonic’s and EchoPark’s Chief Executive Officer, commented, “Our franchised stores and our EchoPark stores grew pre-tax income in the double and triple digits, respectively. The franchised stores segment increased pre-tax income in the third quarter of 2019 over the prior year quarter by \$10.3 million, or 36.8%, while the EchoPark segment increased pre-tax income in the third quarter of 2019 over the prior year quarter by \$7.6 million, or 138.9%.”

Mr. Smith continued, “Our operations teams delivered yet another outstanding quarter that resulted in an 83% improvement in earnings per diluted share from continuing operations compared to the third quarter of 2018. Our teams delivered a solid combination of gross profit growth and cost control. Consolidated gross profit grew 7.3% while our SG&A to gross profit ratio improved by 350 basis points. These results were achieved in spite of a challenging new vehicle sales environment where our new vehicle unit sales and related gross profit decreased by 2.8% and \$6.3 million, respectively. Our pre-owned, Fixed Operations and F&I results during the quarter exceeded our expectations. We believe these favorable operating trends will continue into the fourth quarter.”

Jeff Dyke, Sonic’s and EchoPark’s President, commented, “Our EchoPark stores had another exceptional quarter. EchoPark grew revenues by 67.9%, gross profit by 107.2% and pre-tax income by 138.9%. As we continue to grow our top-line revenues, a greater amount of incremental gross profit flows through to the bottom line, demonstrating the significant earnings upside potential in this business over the long term. Our path to opening our next EchoPark market in

Long Beach, California is becoming clearer and we anticipate an opening in the latter half of the fourth quarter of this year. We are excited to introduce the EchoPark brand to the California market and look forward to continuing to execute on our plans for EchoPark growth, omni-channel selling and other digital initiatives.”

### **Dividend**

Sonic’s Board of Directors approved a quarterly cash dividend of \$0.10 per share payable on January 15, 2020 to all stockholders of record on December 13, 2019.

### **Third Quarter 2019 Earnings Conference Call**

Senior management will host a conference call today at 11:00 A.M. (Eastern) to discuss the quarter’s results. To access the live broadcast of the call over the Internet go to: [www.sonicautomotive.com](http://www.sonicautomotive.com), then click on “Our Company,” then “Investor Relations,” then the “Earnings Conference Calls” link at the bottom of the page.

Presentation materials for the conference call will be accessible beginning the morning of the conference call on the Company’s website at [www.sonicautomotive.com](http://www.sonicautomotive.com) by clicking on the “Investor Relations” tab under “Our Company” and choosing the “Webcasts & Presentations” link at the bottom of the page.

The conference call will also be available live by dialing in 10 minutes prior to the start of the call at:

Domestic: (877) 450-3867  
International: (706) 643-0958  
Conference ID: 5598838

A conference call replay will be available one hour following the call for seven days and can be accessed by calling:

Domestic: (855) 859-2056  
International: (404) 537-3406  
Conference ID: 5598838

### **About Sonic Automotive**

Sonic Automotive, Inc., a Fortune 500 company based in Charlotte, N.C., is one of the nation’s largest automotive retailers. Sonic can be reached on the web at [www.sonicautomotive.com](http://www.sonicautomotive.com). More information about EchoPark Automotive can be found at [www.echopark.com](http://www.echopark.com).

### **Forward-Looking Statements**

Included herein are forward-looking statements. There are many factors that affect management’s views about future events and trends of the Company’s business. These factors involve risks and uncertainties that could cause actual results or trends to differ materially from management’s views, including, without limitation, EchoPark revenue estimates, EchoPark unit sales volume, EchoPark profit estimates, economic conditions in the markets in which we operate, new and used vehicle industry sales volume, the success of our operational strategies, the rate and timing of overall economic recovery or decline, and the risk factors described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018 and the Company’s other periodic reports and information filed with the Securities and Exchange Commission (the “SEC”). The Company does not undertake any obligation to update forward-looking information, except as required under federal securities laws and the rules and regulations of the SEC.

### **Non-GAAP Financial Measures**

This press release and the attached financial tables contain certain non-GAAP financial measures as defined under SEC rules, such as Adjusted EBITDA. As required by SEC rules, the Company provides reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures. The Company believes that these non-GAAP financial measures improve the transparency of the Company’s disclosures and provide a meaningful presentation of the Company’s results.

Contact: Heath Byrd, Executive Vice President and Chief Financial Officer (704) 566-2400  
C.G. Saffer, Vice President and Chief Accounting Officer (704) 566-2439

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**Sonic Automotive, Inc.**  
**Results of Operations (Unaudited)**

**Results of Operations**

	Three Months Ended September 30,		Better / (Worse) % Change	Nine Months Ended September 30,		Better / (Worse) % Change
	2019	2018		2019	2018	
(In thousands, except per share amounts)						
<b>Revenues:</b>						
New vehicles	\$ 1,258,018	\$ 1,235,094	1.9 %	\$ 3,529,106	\$ 3,654,510	(3.4) %
Used vehicles	914,272	745,998	22.6 %	2,620,264	2,217,616	18.2 %
Wholesale vehicles	51,542	48,578	6.1 %	156,351	167,726	(6.8) %
Total vehicles	2,223,832	2,029,670	9.6 %	6,305,721	6,039,852	4.4 %
Parts, service and collision repair	352,047	343,118	2.6 %	1,048,789	1,041,630	0.7 %
Finance, insurance and other, net	126,841	98,061	29.3 %	351,429	295,890	18.8 %
Total revenues	2,702,720	2,470,849	9.4 %	7,705,939	7,377,372	4.5 %
<b>Cost of Sales:</b>						
New vehicles	(1,202,710)	(1,173,453)	2.5 %	(3,363,603)	(3,478,802)	(3.3) %
Used vehicles	(877,444)	(710,681)	23.5 %	(2,509,699)	(2,108,219)	19.0 %
Wholesale vehicles	(52,648)	(49,877)	5.6 %	(159,437)	(176,806)	(9.8) %
Total vehicles	(2,132,802)	(1,934,011)	10.3 %	(6,032,739)	(5,763,827)	4.7 %
Parts, service and collision repair	(183,107)	(176,302)	3.9 %	(546,067)	(538,135)	1.5 %
Total cost of sales	(2,315,909)	(2,110,313)	9.7 %	(6,578,806)	(6,301,962)	4.4 %
Gross profit	386,811	360,536	7.3 %	1,127,133	1,075,410	4.8 %
Selling, general and administrative expenses	(296,826)	(289,022)	(2.7) %	(838,453)	(871,410)	3.8 %
Impairment charges	(1,124)	—	(100.0) %	(3,076)	(13,961)	78.0 %
Depreciation and amortization	(23,665)	(23,377)	(1.2) %	(70,120)	(71,067)	1.3 %
Operating income (loss)	65,196	48,137	35.4 %	215,484	118,972	81.1 %
<b>Other income (expense):</b>						
Interest expense, floor plan	(11,638)	(12,192)	4.5 %	(37,382)	(34,815)	(7.4) %
Interest expense, other, net	(13,013)	(13,313)	2.3 %	(39,494)	(40,144)	1.6 %
Other income (expense), net	(5)	—	(100.0) %	90	107	15.9 %
Total other income (expense)	(24,656)	(25,505)	3.3 %	(76,786)	(74,852)	(2.6) %
Income (loss) from continuing operations before taxes	40,540	22,632	79.1 %	138,698	44,120	214.4 %
Provision for income taxes for continuing operations - benefit (expense)	(11,372)	(7,331)	(55.1) %	(40,430)	(13,711)	(194.9) %
Income (loss) from continuing operations	29,168	15,301	90.6 %	98,268	30,409	223.2 %
<b>Discontinued operations:</b>						
Income (loss) from discontinued operations before taxes	(223)	(252)	11.5 %	(616)	(797)	22.7 %
Provision for income taxes for discontinued operations - benefit (expense)	65	69	(5.8) %	179	218	(17.9) %
Income (loss) from discontinued operations	(158)	(183)	13.7 %	(437)	(579)	24.5 %
Net income (loss)	\$ 29,010	\$ 15,118	91.9 %	\$ 97,831	\$ 29,830	228.0 %
<b>Basic earnings (loss) per common share:</b>						
Earnings (loss) per share from continuing operations	\$ 0.68	\$ 0.36	88.9 %	\$ 2.28	\$ 0.71	221.1 %
Earnings (loss) per share from discontinued operations	(0.01)	(0.01)	— %	(0.01)	(0.01)	— %
Earnings (loss) per common share	\$ 0.67	\$ 0.35	91.4 %	\$ 2.27	\$ 0.70	224.3 %
Weighted-average common shares outstanding	43,078	42,673	(0.9) %	42,995	42,708	(0.7) %
<b>Diluted earnings (loss) per common share:</b>						
Earnings (loss) per share from continuing operations	\$ 0.66	\$ 0.36	83.3 %	\$ 2.26	\$ 0.71	218.3 %
Earnings (loss) per share from discontinued operations	—	(0.01)	100.0 %	(0.01)	(0.02)	50.0 %
Earnings (loss) per common share	\$ 0.66	\$ 0.35	88.6 %	\$ 2.25	\$ 0.69	226.1 %
Weighted-average common shares outstanding	44,203	42,994	(2.8) %	43,456	42,964	(1.1) %
Dividends declared per common share	\$ 0.10	\$ 0.06	66.7 %	\$ 0.30	\$ 0.18	66.7 %

*New Vehicles - Consolidated*

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported new vehicle:				
Revenue	\$ 1,258,018	\$ 1,235,094	\$ 22,924	1.9 %
Gross profit	\$ 55,308	\$ 61,641	\$ (6,333)	(10.3)%
Unit sales	30,147	31,009	(862)	(2.8)%
Revenue per unit	\$ 41,729	\$ 39,830	\$ 1,899	4.8 %
Gross profit per unit	\$ 1,835	\$ 1,988	\$ (153)	(7.7)%
Gross profit as a % of revenue	4.4 %	5.0 %	(60) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported new vehicle:				
Revenue	\$ 3,529,106	\$ 3,654,510	\$ (125,404)	(3.4)%
Gross profit	\$ 165,503	\$ 175,708	\$ (10,205)	(5.8)%
Unit sales	83,540	91,386	(7,846)	(8.6)%
Revenue per unit	\$ 42,245	\$ 39,990	\$ 2,255	5.6 %
Gross profit per unit	\$ 1,981	\$ 1,923	\$ 58	3.0 %
Gross profit as a % of revenue	4.7 %	4.8 %	(10) bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store new vehicle:				
Revenue	\$ 1,253,233	\$ 1,174,705	\$ 78,528	6.7 %
Gross profit	\$ 54,823	\$ 58,425	\$ (3,602)	(6.2)%
Unit sales	30,046	29,139	907	3.1 %
Revenue per unit	\$ 41,710	\$ 40,314	\$ 1,396	3.5 %
Gross profit per unit	\$ 1,825	\$ 2,005	\$ (180)	(9.0)%
Gross profit as a % of revenue	4.4 %	5.0 %	(60) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store new vehicle:				
Revenue	\$ 3,487,153	\$ 3,429,897	\$ 57,256	1.7 %
Gross profit	\$ 163,128	\$ 167,188	\$ (4,060)	(2.4)%
Unit sales	82,301	84,352	(2,051)	(2.4)%
Revenue per unit	\$ 42,371	\$ 40,662	\$ 1,709	4.2 %
Gross profit per unit	\$ 1,982	\$ 1,982	\$ —	— %
Gross profit as a % of revenue	4.7 %	4.9 %	(20) bps	

*Used Vehicles - Consolidated*

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported used vehicle:				
Revenue	\$ 914,272	\$ 745,998	\$ 168,274	22.6 %
Gross profit	\$ 36,828	\$ 35,317	\$ 1,511	4.3 %
Unit sales	42,453	34,952	7,501	21.5 %
Revenue per unit	\$ 21,536	\$ 21,343	\$ 193	0.9 %
Gross profit per unit	\$ 868	\$ 1,010	\$ (142)	(14.1)%
Gross profit as a % of revenue	4.0 %	4.7 %	(70) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported used vehicle:				
Revenue	\$ 2,620,264	\$ 2,217,616	\$ 402,648	18.2 %
Gross profit	\$ 110,565	\$ 109,397	\$ 1,168	1.1 %
Unit sales	122,374	104,470	17,904	17.1 %
Revenue per unit	\$ 21,412	\$ 21,227	\$ 185	0.9 %
Gross profit per unit	\$ 904	\$ 1,047	\$ (143)	(13.7)%
Gross profit as a % of revenue	4.2 %	4.9 %	(70) bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store used vehicle:				
Revenue	\$ 855,900	\$ 713,677	\$ 142,223	19.9 %
Gross profit	\$ 33,764	\$ 33,088	\$ 676	2.0 %
Unit sales	39,521	33,128	6,393	19.3 %
Revenue per unit	\$ 21,657	\$ 21,543	\$ 114	0.5 %
Gross profit per unit	\$ 854	\$ 999	\$ (145)	(14.5)%
Gross profit as a % of revenue	3.9 %	4.6 %	(70) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store used vehicle:				
Revenue	\$ 2,440,633	\$ 2,102,425	\$ 338,208	16.1 %
Gross profit	\$ 101,638	\$ 100,248	\$ 1,390	1.4 %
Unit sales	113,224	98,028	15,196	15.5 %
Revenue per unit	\$ 21,556	\$ 21,447	\$ 109	0.5 %
Gross profit per unit	\$ 898	\$ 1,023	\$ (125)	(12.2)%
Gross profit as a % of revenue	4.2 %	4.8 %	(60) bps	



**Wholesale Vehicles - Consolidated**

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported wholesale vehicle:				
Revenue	\$ 51,542	\$ 48,578	\$ 2,964	6.1 %
Gross profit (loss)	\$ (1,106)	\$ (1,299)	\$ 193	14.9 %
Unit sales	8,961	7,831	1,130	14.4 %
Revenue per unit	\$ 5,752	\$ 6,203	\$ (451)	(7.3) %
Gross profit (loss) per unit	\$ (123)	\$ (166)	\$ 43	25.9 %
Gross profit (loss) as a % of revenue	(2.1)%	(2.7)%	60 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported wholesale vehicle:				
Revenue	\$ 156,351	\$ 167,726	\$ (11,375)	(6.8) %
Gross profit (loss)	\$ (3,086)	\$ (9,080)	\$ 5,994	66.0 %
Unit sales	26,254	25,953	301	1.2 %
Revenue per unit	\$ 5,955	\$ 6,463	\$ (508)	(7.9) %
Gross profit (loss) per unit	\$ (118)	\$ (350)	\$ 232	66.3 %
Gross profit (loss) as a % of revenue	(2.0)%	(5.4)%	340 bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store wholesale vehicle:				
Revenue	\$ 49,791	\$ 45,144	\$ 4,647	10.3 %
Gross profit (loss)	\$ (1,009)	\$ (1,324)	\$ 315	23.8 %
Unit sales	8,559	7,173	1,386	19.3 %
Revenue per unit	\$ 5,817	\$ 6,294	\$ (477)	(7.6) %
Gross profit (loss) per unit	\$ (118)	\$ (185)	\$ 67	36.2 %
Gross profit (loss) as a % of revenue	(2.0)%	(2.9)%	90 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store wholesale vehicle:				
Revenue	\$ 150,890	\$ 152,934	\$ (2,044)	(1.3) %
Gross profit (loss)	\$ (2,746)	\$ (8,224)	\$ 5,478	66.6 %
Unit sales	25,081	23,367	1,714	7.3 %
Revenue per unit	\$ 6,016	\$ 6,545	\$ (529)	(8.1) %
Gross profit (loss) per unit	\$ (109)	\$ (352)	\$ 243	69.0 %
Gross profit (loss) as a % of revenue	(1.8)%	(5.4)%	360 bps	

Fixed Operations - Consolidated

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Reported:</b>				
Revenue				
Customer pay	\$ 140,146	\$ 139,642	\$ 504	0.4 %
Warranty	69,894	66,730	3,164	4.7 %
Wholesale parts	38,345	39,419	(1,074)	(2.7) %
Internal, sublet and other	103,662	97,327	6,335	6.5 %
Total	<u>\$ 352,047</u>	<u>\$ 343,118</u>	<u>\$ 8,929</u>	2.6 %
Gross profit				
Customer pay	\$ 76,625	\$ 74,994	\$ 1,631	2.2 %
Warranty	38,235	38,563	(328)	(0.9) %
Wholesale parts	6,651	6,784	(133)	(2.0) %
Internal, sublet and other	47,429	46,475	954	2.1 %
Total	<u>\$ 168,940</u>	<u>\$ 166,816</u>	<u>\$ 2,124</u>	1.3 %
Gross profit as a % of revenue				
Customer pay	54.7 %	53.7 %	100 bps	
Warranty	54.7 %	57.8 %	(310) bps	
Wholesale parts	17.3 %	17.2 %	10 bps	
Internal, sublet and other	45.8 %	47.8 %	(200) bps	
Total	48.0 %	48.6 %	(60) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Reported:</b>				
Revenue				
Customer pay	\$ 419,980	\$ 422,348	\$ (2,368)	(0.6) %
Warranty	208,676	198,219	10,457	5.3 %
Wholesale parts	117,669	122,763	(5,094)	(4.1) %
Internal, sublet and other	302,464	298,300	4,164	1.4 %
Total	<u>\$ 1,048,789</u>	<u>\$ 1,041,630</u>	<u>\$ 7,159</u>	0.7 %
Gross profit				
Customer pay	\$ 228,604	\$ 226,443	\$ 2,161	1.0 %
Warranty	115,682	112,335	3,347	3.0 %
Wholesale parts	20,319	20,949	(630)	(3.0) %
Internal, sublet and other	138,117	143,768	(5,651)	(3.9) %
Total	<u>\$ 502,722</u>	<u>\$ 503,495</u>	<u>\$ (773)</u>	(0.2) %
Gross profit as a % of revenue				
Customer pay	54.4 %	53.6 %	80 bps	
Warranty	55.4 %	56.7 %	(130) bps	
Wholesale parts	17.3 %	17.1 %	20 bps	
Internal, sublet and other	45.7 %	48.2 %	(250) bps	
Total	47.9 %	48.3 %	(40) bps	

Fixed Operations - Consolidated

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Same Store:</b>				
Revenue				
Customer pay	\$ 139,807	\$ 131,535	\$ 8,272	6.3 %
Warranty	69,438	64,048	5,390	8.4 %
Wholesale parts	38,018	38,016	2	— %
Internal, sublet and other	101,610	92,849	8,761	9.4 %
Total	<u>\$ 348,873</u>	<u>\$ 326,448</u>	<u>\$ 22,425</u>	6.9 %
Gross profit				
Customer pay	\$ 76,453	\$ 70,227	\$ 6,226	8.9 %
Warranty	37,982	35,569	2,413	6.8 %
Wholesale parts	6,594	6,468	126	1.9 %
Internal, sublet and other	47,061	44,410	2,651	6.0 %
Total	<u>\$ 168,090</u>	<u>\$ 156,674</u>	<u>\$ 11,416</u>	7.3 %
Gross profit as a % of revenue				
Customer pay	54.7 %	53.4 %	130 bps	
Warranty	54.7 %	55.5 %	(80) bps	
Wholesale parts	17.3 %	17.0 %	30 bps	
Internal, sublet and other	46.3 %	47.8 %	(150) bps	
Total	48.2 %	48.0 %	20 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Same Store:</b>				
Revenue				
Customer pay	\$ 414,704	\$ 393,934	\$ 20,770	5.3 %
Warranty	206,691	190,080	16,611	8.7 %
Wholesale parts	116,148	116,866	(718)	(0.6) %
Internal, sublet and other	294,735	281,068	13,667	4.9 %
Total	<u>\$ 1,032,278</u>	<u>\$ 981,948</u>	<u>\$ 50,330</u>	5.1 %
Gross profit				
Customer pay	\$ 225,671	\$ 210,013	\$ 15,658	7.5 %
Warranty	114,596	106,074	8,522	8.0 %
Wholesale parts	20,019	19,770	249	1.3 %
Internal, sublet and other	135,472	134,944	528	0.4 %
Total	<u>\$ 495,758</u>	<u>\$ 470,801</u>	<u>\$ 24,957</u>	5.3 %
Gross profit as a % of revenue				
Customer pay	54.4 %	53.3 %	110 bps	
Warranty	55.4 %	55.8 %	(40) bps	
Wholesale parts	17.2 %	16.9 %	30 bps	
Internal, sublet and other	46.0 %	48.0 %	(200) bps	
Total	48.0 %	47.9 %	10 bps	

**F&I - Consolidated**

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Reported:</b>				
Revenue	\$ 126,841	\$ 98,061	\$ 28,780	29.3 %
Unit sales	71,636	65,168	6,468	9.9 %
Gross profit per retail unit (excludes fleet)	\$ 1,771	\$ 1,505	\$ 266	17.7 %

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Reported:</b>				
Revenue	\$ 351,429	\$ 295,890	\$ 55,539	18.8 %
Unit sales	204,230	194,322	9,908	5.1 %
Gross profit per retail unit (excludes fleet)	\$ 1,721	\$ 1,523	\$ 198	13.0 %

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Same Store:</b>				
Revenue	\$ 116,881	\$ 92,376	\$ 24,505	26.5 %
Unit sales	68,603	61,474	7,129	11.6 %
Gross profit per retail unit (excludes fleet)	\$ 1,704	\$ 1,503	\$ 201	13.4 %

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Same Store:</b>				
Revenue	\$ 322,130	\$ 272,688	\$ 49,442	18.1 %
Unit sales	193,841	180,891	12,950	7.2 %
Gross profit per retail unit (excludes fleet)	\$ 1,662	\$ 1,507	\$ 155	10.3 %

*New Vehicles - Franchised Dealership Segment*

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported new vehicle:				
Revenue	\$ 1,258,018	\$ 1,235,094	\$ 22,924	1.9 %
Gross profit	\$ 55,308	\$ 61,641	\$ (6,333)	(10.3)%
Unit sales	30,147	31,009	(862)	(2.8)%
Revenue per unit	\$ 41,729	\$ 39,830	\$ 1,899	4.8 %
Gross profit per unit	\$ 1,835	\$ 1,988	\$ (153)	(7.7)%
Gross profit as a % of revenue	4.4 %	5.0 %	(60) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported new vehicle:				
Revenue	\$ 3,529,106	\$ 3,654,510	\$ (125,404)	(3.4)%
Gross profit	\$ 165,503	\$ 175,708	\$ (10,205)	(5.8)%
Unit sales	83,540	91,386	(7,846)	(8.6)%
Revenue per unit	\$ 42,245	\$ 39,990	\$ 2,255	5.6 %
Gross profit per unit	\$ 1,981	\$ 1,923	\$ 58	3.0 %
Gross profit as a % of revenue	4.7 %	4.8 %	(10) bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store new vehicle:				
Revenue	\$ 1,253,233	\$ 1,174,705	\$ 78,528	6.7 %
Gross profit	\$ 54,823	\$ 58,425	\$ (3,602)	(6.2)%
Unit sales	30,046	29,139	907	3.1 %
Revenue per unit	\$ 41,710	\$ 40,314	\$ 1,396	3.5 %
Gross profit per unit	\$ 1,825	\$ 2,005	\$ (180)	(9.0)%
Gross profit as a % of revenue	4.4 %	5.0 %	(60) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store new vehicle:				
Revenue	\$ 3,487,153	\$ 3,429,897	\$ 57,256	1.7 %
Gross profit	\$ 163,128	\$ 167,188	\$ (4,060)	(2.4)%
Unit sales	82,301	84,352	(2,051)	(2.4)%
Revenue per unit	\$ 42,371	\$ 40,662	\$ 1,709	4.2 %
Gross profit per unit	\$ 1,982	\$ 1,982	\$ —	— %
Gross profit as a % of revenue	4.7 %	4.9 %	(20) bps	

Used Vehicles - Franchised Dealership Segment

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported used vehicle:				
Revenue	\$ 648,006	\$ 585,300	\$ 62,706	10.7 %
Gross profit	\$ 37,623	\$ 37,480	\$ 143	0.4 %
Unit sales	29,247	27,254	1,993	7.3 %
Revenue per unit	\$ 22,156	\$ 21,476	\$ 680	3.2 %
Gross profit per unit	\$ 1,286	\$ 1,375	\$ (89)	(6.5) %
Gross profit as a % of revenue	5.8 %	6.4 %	(60) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported used vehicle:				
Revenue	\$ 1,889,045	\$ 1,794,403	\$ 94,642	5.3 %
Gross profit	\$ 111,815	\$ 112,965	\$ (1,150)	(1.0) %
Unit sales	85,530	83,795	1,735	2.1 %
Revenue per unit	\$ 22,086	\$ 21,414	\$ 672	3.1 %
Gross profit per unit	\$ 1,307	\$ 1,348	\$ (41)	(3.0) %
Gross profit as a % of revenue	5.9 %	6.3 %	(40) bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store used vehicle:				
Revenue	\$ 643,945	\$ 564,190	\$ 79,755	14.1 %
Gross profit	\$ 35,873	\$ 34,665	\$ 1,208	3.5 %
Unit sales	29,050	26,067	2,983	11.4 %
Revenue per unit	\$ 22,167	\$ 21,644	\$ 523	2.4 %
Gross profit per unit	\$ 1,235	\$ 1,330	\$ (95)	(7.1) %
Gross profit as a % of revenue	5.6 %	6.1 %	(50) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store used vehicle:				
Revenue	\$ 1,866,976	\$ 1,713,247	\$ 153,729	9.0 %
Gross profit	\$ 105,904	\$ 102,760	\$ 3,144	3.1 %
Unit sales	84,374	79,173	5,201	6.6 %
Revenue per unit	\$ 22,127	\$ 21,639	\$ 488	2.3 %
Gross profit per unit	\$ 1,255	\$ 1,298	\$ (43)	(3.3) %
Gross profit as a % of revenue	5.7 %	6.0 %	(30) bps	

*Wholesale Vehicles - Franchised Dealership Segment*

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported wholesale vehicle:				
Revenue	\$ 44,517	\$ 43,381	\$ 1,136	2.6 %
Gross profit (loss)	\$ (971)	\$ (1,260)	\$ 289	22.9 %
Unit sales	7,123	6,906	217	3.1 %
Revenue per unit	\$ 6,250	\$ 6,282	\$ (32)	(0.5) %
Gross profit (loss) per unit	\$ (136)	\$ (182)	\$ 46	25.3 %
Gross profit (loss) as a % of revenue	(2.2)%	(2.9)%	70 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported wholesale vehicle:				
Revenue	\$ 140,770	\$ 148,037	\$ (7,267)	(4.9) %
Gross profit (loss)	\$ (2,845)	\$ (9,708)	\$ 6,863	70.7 %
Unit sales	22,231	22,454	(223)	(1.0) %
Revenue per unit	\$ 6,332	\$ 6,593	\$ (261)	(4.0) %
Gross profit (loss) per unit	\$ (128)	\$ (432)	\$ 304	70.4 %
Gross profit (loss) as a % of revenue	(2.0)%	(6.6)%	460 bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store wholesale vehicle:				
Revenue	\$ 44,219	\$ 41,526	\$ 2,693	6.5 %
Gross profit (loss)	\$ (890)	\$ (1,239)	\$ 349	28.2 %
Unit sales	7,088	6,553	535	8.2 %
Revenue per unit	\$ 6,239	\$ 6,337	\$ (98)	(1.5) %
Gross profit (loss) per unit	\$ (126)	\$ (189)	\$ 63	33.3 %
Gross profit (loss) as a % of revenue	(2.0)%	(3.0)%	100 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store wholesale vehicle:				
Revenue	\$ 138,614	\$ 137,838	\$ 776	0.6 %
Gross profit (loss)	\$ (2,531)	\$ (8,849)	\$ 6,318	71.4 %
Unit sales	21,901	20,758	1,143	5.5 %
Revenue per unit	\$ 6,329	\$ 6,640	\$ (311)	(4.7) %
Gross profit (loss) per unit	\$ (116)	\$ (426)	\$ 310	72.8 %
Gross profit (loss) as a % of revenue	(1.8)%	(6.4)%	460 bps	

Fixed Operations - Franchised Dealership Segment

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Reported:</b>				
Revenue				
Customer pay	\$ 139,969	\$ 139,504	\$ 465	0.3 %
Warranty	69,894	66,730	3,164	4.7 %
Wholesale parts	38,345	39,419	(1,074)	(2.7) %
Internal, sublet and other	95,612	93,413	2,199	2.4 %
Total	<u>\$ 343,820</u>	<u>\$ 339,066</u>	<u>\$ 4,754</u>	1.4 %
Gross profit				
Customer pay	\$ 76,607	\$ 74,983	\$ 1,624	2.2 %
Warranty	38,235	38,563	(328)	(0.9) %
Wholesale parts	6,651	6,784	(133)	(2.0) %
Internal, sublet and other	47,665	45,995	1,670	3.6 %
Total	<u>\$ 169,158</u>	<u>\$ 166,325</u>	<u>\$ 2,833</u>	1.7 %
Gross profit as a % of revenue				
Customer pay	54.7 %	53.7 %	100 bps	
Warranty	54.7 %	57.8 %	(310) bps	
Wholesale parts	17.3 %	17.2 %	10 bps	
Internal, sublet and other	49.9 %	49.2 %	70 bps	
Total	49.2 %	49.1 %	10 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Reported:</b>				
Revenue				
Customer pay	\$ 419,482	\$ 421,484	\$ (2,002)	(0.5) %
Warranty	208,676	198,219	10,457	5.3 %
Wholesale parts	117,669	122,763	(5,094)	(4.1) %
Internal, sublet and other	281,555	285,893	(4,338)	(1.5) %
Total	<u>\$ 1,027,382</u>	<u>\$ 1,028,359</u>	<u>\$ (977)</u>	(0.1) %
Gross profit				
Customer pay	\$ 228,584	\$ 226,207	\$ 2,377	1.1 %
Warranty	115,682	112,335	3,347	3.0 %
Wholesale parts	20,319	20,949	(630)	(3.0) %
Internal, sublet and other	138,726	141,618	(2,892)	(2.0) %
Total	<u>\$ 503,311</u>	<u>\$ 501,109</u>	<u>\$ 2,202</u>	0.4 %
Gross profit as a % of revenue				
Customer pay	54.5 %	53.7 %	80 bps	
Warranty	55.4 %	56.7 %	(130) bps	
Wholesale parts	17.3 %	17.1 %	20 bps	
Internal, sublet and other	49.3 %	49.5 %	(20) bps	
Total	49.0 %	48.7 %	30 bps	



Fixed Operations - Franchised Dealership Segment

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Same Store:</b>				
Revenue				
Customer pay	\$ 139,683	\$ 131,413	\$ 8,270	6.3 %
Warranty	69,438	64,048	5,390	8.4 %
Wholesale parts	38,018	38,016	2	— %
Internal, sublet and other	95,170	89,303	5,867	6.6 %
Total	<u>\$ 342,309</u>	<u>\$ 322,780</u>	<u>\$ 19,529</u>	6.1 %
Gross profit				
Customer pay	\$ 76,435	\$ 70,218	\$ 6,217	8.9 %
Warranty	37,982	35,569	2,413	6.8 %
Wholesale parts	6,594	6,468	126	1.9 %
Internal, sublet and other	47,266	43,888	3,378	7.7 %
Total	<u>\$ 168,277</u>	<u>\$ 156,143</u>	<u>\$ 12,134</u>	7.8 %
Gross profit as a % of revenue				
Customer pay	54.7 %	53.4 %	130 bps	
Warranty	54.7 %	55.5 %	(80) bps	
Wholesale parts	17.3 %	17.0 %	30 bps	
Internal, sublet and other	49.7 %	49.1 %	60 bps	
Total	49.2 %	48.4 %	80 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Same Store:</b>				
Revenue				
Customer pay	\$ 414,369	\$ 393,478	\$ 20,891	5.3 %
Warranty	206,691	190,080	16,611	8.7 %
Wholesale parts	116,148	116,866	(718)	(0.6) %
Internal, sublet and other	278,176	269,831	8,345	3.1 %
Total	<u>\$ 1,015,384</u>	<u>\$ 970,255</u>	<u>\$ 45,129</u>	4.7 %
Gross profit				
Customer pay	\$ 225,651	\$ 209,936	\$ 15,715	7.5 %
Warranty	114,596	106,074	8,522	8.0 %
Wholesale parts	20,019	19,770	249	1.3 %
Internal, sublet and other	135,971	132,937	3,034	2.3 %
Total	<u>\$ 496,237</u>	<u>\$ 468,717</u>	<u>\$ 27,520</u>	5.9 %
Gross profit as a % of revenue				
Customer pay	54.5 %	53.4 %	110 bps	
Warranty	55.4 %	55.8 %	(40) bps	
Wholesale parts	17.2 %	16.9 %	30 bps	
Internal, sublet and other	48.9 %	49.3 %	(40) bps	
Total	48.9 %	48.3 %	60 bps	

*F&I - Franchised Dealership Segment*

	Three Months Ended September 30,				Better / (Worse)	
	2019	2018	Change	% Change		
	(In thousands, except unit and per unit data)					
<b>Reported:</b>						
Revenue	\$	96,142	\$	82,089	\$	14,053 17.1 %
Unit sales		58,430		57,470		960 1.7 %
Gross profit per retail unit (excludes fleet)	\$	1,645	\$	1,428	\$	217 15.2 %

	Nine Months Ended September 30,				Better / (Worse)	
	2019	2018	Change	% Change		
	(In thousands, except unit and per unit data)					
<b>Reported:</b>						
Revenue	\$	266,171	\$	254,473	\$	11,698 4.6 %
Unit sales		167,386		173,647		(6,261) (3.6) %
Gross profit per retail unit (excludes fleet)	\$	1,590	\$	1,465	\$	125 8.5 %

	Three Months Ended September 30,				Better / (Worse)	
	2019	2018	Change	% Change		
	(In thousands, except unit and per unit data)					
<b>Same Store:</b>						
Revenue	\$	92,252	\$	77,040	\$	15,212 19.7 %
Unit sales		58,132		54,413		3,719 6.8 %
Gross profit per retail unit (excludes fleet)	\$	1,587	\$	1,416	\$	171 12.1 %

	Nine Months Ended September 30,				Better / (Worse)	
	2019	2018	Change	% Change		
	(In thousands, except unit and per unit data)					
<b>Same Store:</b>						
Revenue	\$	255,331	\$	234,720	\$	20,611 8.8 %
Unit sales		164,991		162,036		2,955 1.8 %
Gross profit per retail unit (excludes fleet)	\$	1,548	\$	1,449	\$	99 6.8 %

*Used Vehicles and F&I - EchoPark Segment*

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Reported used vehicle and F&amp;I:</b>				
Used vehicle revenue	\$ 266,266	\$ 160,698	\$ 105,568	65.7 %
Used vehicle gross profit (loss)	\$ (795)	\$ (2,163)	\$ 1,368	63.2 %
Used vehicle unit sales	13,206	7,698	5,508	71.6 %
Used vehicle revenue per unit	\$ 20,163	\$ 20,875	\$ (712)	(3.4)%
F&I revenue	\$ 30,699	\$ 15,972	\$ 14,727	92.2 %
Combined used vehicle gross profit and F&I revenue	\$ 29,904	\$ 13,809	\$ 16,095	116.6 %
Total used vehicle and F&I gross profit per unit	\$ 2,264	\$ 1,794	\$ 470	26.2 %

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Reported used vehicle:</b>				
Used vehicle revenue	\$ 731,219	\$ 423,213	\$ 308,006	72.8 %
Used vehicle gross profit (loss)	\$ (1,250)	\$ (3,568)	\$ 2,318	65.0 %
Used vehicle unit sales	36,844	20,675	16,169	78.2 %
Used vehicle revenue per unit	\$ 19,846	\$ 20,470	\$ (624)	(3.0)%
F&I revenue	\$ 85,258	\$ 41,417	\$ 43,841	105.9 %
Combined used vehicle gross profit and F&I revenue	\$ 84,008	\$ 37,849	\$ 46,159	122.0 %
Total used vehicle and F&I gross profit per unit	\$ 2,280	\$ 1,831	\$ 449	24.5 %

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Same store used vehicle:</b>				
Used vehicle revenue	\$ 211,955	\$ 149,487	\$ 62,468	41.8 %
Used vehicle gross profit (loss)	\$ (2,109)	\$ (1,577)	\$ (532)	(33.7)%
Used vehicle unit sales	10,471	7,061	3,410	48.3 %
Used vehicle revenue per unit	\$ 20,242	\$ 21,171	\$ (929)	(4.4)%
F&I revenue	\$ 24,629	\$ 15,336	\$ 9,293	60.6 %
Combined used vehicle gross profit and F&I revenue	\$ 22,520	\$ 13,759	\$ 8,761	63.7 %
Total used vehicle and F&I gross profit per unit	\$ 2,151	\$ 1,949	\$ 202	10.4 %

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
<b>Same store used vehicle:</b>				
Used vehicle revenue	\$ 573,657	\$ 389,178	\$ 184,479	47.4 %
Used vehicle gross profit (loss)	\$ (4,266)	\$ (2,512)	\$ (1,754)	(69.8)%
Used vehicle unit sales	28,850	18,855	9,995	53.0 %
Used vehicle revenue per unit	\$ 19,884	\$ 20,641	\$ (757)	(3.7)%
F&I revenue	\$ 66,799	\$ 37,968	\$ 28,831	75.9 %
Combined used vehicle gross profit and F&I revenue	\$ 62,533	\$ 35,456	\$ 27,077	76.4 %
Total used vehicle and F&I gross profit per unit	\$ 2,168	\$ 1,880	\$ 288	15.3 %

**Wholesale Vehicles - EchoPark Segment**

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported wholesale vehicle:				
Revenue	\$ 7,025	\$ 5,197	\$ 1,828	35.2 %
Gross profit (loss)	\$ (135)	\$ (39)	\$ (96)	(246.2)%
Unit sales	1,838	925	913	98.7 %
Revenue per unit	\$ 3,822	\$ 5,618	\$ (1,796)	(32.0)%
Gross profit (loss) per unit	\$ (73)	\$ (42)	\$ (31)	(73.8)%
Gross profit (loss) as a % of revenue	(1.9)%	(0.8)%	(110) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Reported wholesale vehicle:				
Revenue	\$ 15,581	\$ 19,689	\$ (4,108)	(20.9)%
Gross profit (loss)	\$ (241)	\$ 628	\$ (869)	(138.4)%
Unit sales	4,023	3,499	524	15.0 %
Revenue per unit	\$ 3,873	\$ 5,627	\$ (1,754)	(31.2)%
Gross profit (loss) per unit	\$ (60)	\$ 179	\$ (239)	(133.5)%
Gross profit (loss) as a % of revenue	(1.5)%	3.2 %	(470) bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store wholesale vehicle:				
Revenue	\$ 5,572	\$ 3,618	\$ 1,954	54.0 %
Gross profit (loss)	\$ (119)	\$ (85)	\$ (34)	(40.0)%
Unit sales	1,471	620	851	137.3 %
Revenue per unit	\$ 3,788	\$ 5,835	\$ (2,047)	(35.1)%
Gross profit (loss) per unit	\$ (81)	\$ (137)	\$ 56	40.9 %
Gross profit (loss) as a % of revenue	(2.1)%	(2.3)%	20 bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands, except unit and per unit data)				
Same store wholesale vehicle:				
Revenue	\$ 12,277	\$ 15,095	\$ (2,818)	(18.7)%
Gross profit (loss)	\$ (215)	\$ 625	\$ (840)	(134.4)%
Unit sales	3,180	2,609	571	21.9 %
Revenue per unit	\$ 3,861	\$ 5,786	\$ (1,925)	(33.3)%
Gross profit (loss) per unit	\$ (68)	\$ 240	\$ (308)	(128.3)%
Gross profit (loss) as a % of revenue	(1.8)%	4.1 %	(590) bps	

**Fixed Operations - EchoPark Segment**

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
	(In thousands)			
<b>Total reported Fixed Operations:</b>				
Revenue	\$ 8,227	\$ 4,052	\$ 4,175	103.0 %
Gross profit (loss)	\$ (218)	\$ 491	\$ (709)	(144.4)%
Gross profit (loss) as a % of revenue	(2.6)%	12.1 %	(1,470) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
	(In thousands)			
<b>Total reported Fixed Operations:</b>				
Revenue	\$ 21,407	\$ 13,271	\$ 8,136	61.3 %
Gross profit (loss)	\$ (589)	\$ 2,386	\$ (2,975)	(124.7)%
Gross profit (loss) as a % of revenue	(2.8)%	18.0 %	(2,080) bps	

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
	(In thousands)			
<b>Total same store Fixed Operations:</b>				
Revenue	\$ 6,564	\$ 3,668	\$ 2,896	79.0 %
Gross profit (loss)	\$ (187)	\$ 531	\$ (718)	(135.2)%
Gross profit (loss) as a % of revenue	(2.8)%	14.5 %	(1,730) bps	

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
	(In thousands)			
<b>Total same store Fixed Operations:</b>				
Revenue	\$ 16,894	\$ 11,693	\$ 5,201	44.5 %
Gross profit (loss)	\$ (479)	\$ 2,084	\$ (2,563)	(123.0)%
Gross profit (loss) as a % of revenue	(2.8)%	17.8 %	(2,060) bps	

*Selling, General and Administrative ("SG&A") Expenses - Non-GAAP Reconciliation*

	Three Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Reported:</b>				
Compensation	\$ 184,089	\$ 175,393	\$ (8,696)	(5.0) %
Advertising	15,856	14,652	(1,204)	(8.2) %
Rent	12,721	14,881	2,160	14.5 %
Other	84,160	84,096	(64)	(0.1) %
Total SG&A expenses	<u>\$ 296,826</u>	<u>\$ 289,022</u>	<u>\$ (7,804)</u>	(2.7) %
<b>Items of interest:</b>				
Gain (loss) on franchise disposals	\$ —	\$ (346)		
Storm damage charges	—	(1,185)		
Executive transition costs	—	(1,581)		
Total SG&A adjustments	<u>\$ —</u>	<u>\$ (3,112)</u>		
<b>Adjusted:</b>				
Total adjusted SG&A expenses	<u>\$ 296,826</u>	<u>\$ 285,910</u>	<u>\$ (10,916)</u>	(3.8) %
<b>Reported:</b>				
SG&A expenses as a % of gross profit:				
Compensation	47.6 %	48.6 %	100 bps	
Advertising	4.1 %	4.1 %	— bps	
Rent	3.3 %	4.1 %	80 bps	
Other	21.7 %	23.4 %	170 bps	
Total SG&A expenses as a % of gross profit	<u>76.7 %</u>	<u>80.2 %</u>	<u>350 bps</u>	
<b>Items of interest:</b>				
Gain (loss) on franchise disposals	— %	(0.1)%		
Storm damage charges	— %	(0.3)%		
Executive transition costs	— %	(0.5)%		
Total effect of adjustments	<u>— %</u>	<u>(0.9)%</u>		
<b>Adjusted:</b>				
Total adjusted SG&A expenses as a % of gross profit	<u>76.7 %</u>	<u>79.3 %</u>	<u>260 bps</u>	

*Selling, General and Administrative ("SG&A") Expenses - Non-GAAP Reconciliation*

	Nine Months Ended September 30,		Better / (Worse)	
	2019	2018	Change	% Change
(In thousands)				
<b>Reported:</b>				
Compensation	\$ 549,470	\$ 558,071	\$ 8,601	1.5 %
Advertising	46,308	46,938	630	1.3 %
Rent	41,308	50,451	9,143	18.1 %
Other	201,367	215,950	14,583	6.8 %
Total SG&A expenses	<u>\$ 838,453</u>	<u>\$ 871,410</u>	<u>\$ 32,957</u>	3.8 %
<b>Items of interest:</b>				
Gain (loss) on franchise disposals	\$ 46,680	\$ 38,893		
Legal and storm damage charges	—	(5,749)		
Executive transition costs	(6,264)	(1,581)		
Long-term compensation charges	—	(32,522)		
Lease exit charges	—	(2,235)		
Total SG&A adjustments	<u>\$ 40,416</u>	<u>\$ (3,194)</u>		
Total adjusted SG&A expenses	<u>\$ 878,869</u>	<u>\$ 868,216</u>	<u>\$ (10,653)</u>	(1.2) %
<b>Reported:</b>				
SG&A expenses as a % of gross profit:				
Compensation	48.7 %	51.9 %	320	bps
Advertising	4.1 %	4.4 %	30	bps
Rent	3.7 %	4.7 %	100	bps
Other	17.9 %	20.0 %	210	bps
Total SG&A expenses as a % of gross profit	<u>74.4 %</u>	<u>81.0 %</u>	<u>660</u>	bps
<b>Items of interest:</b>				
Gain (loss) on franchise disposals	4.2 %	3.7 %		
Legal and storm damage charges	— %	(0.5)%		
Executive transition costs	— %	(0.1)%		
Long-term compensation charges	(0.6)%	(3.1)%		
Lease exit charges	— %	(0.2)%		
Total effect of adjustments	<u>3.6 %</u>	<u>(0.3)%</u>		
<b>Adjusted:</b>				
Total adjusted SG&A expenses as a % of gross profit	<u>78.0 %</u>	<u>80.7 %</u>	270	bps

*Earnings per Share from Continuing Operations - Non-GAAP Reconciliation*

	Three Months Ended September 30, 2019			Three Months Ended September 30, 2018		
	Weighted-Average Shares	Amount	Per Share Amount	Weighted-Average Shares	Amount	Per Share Amount
(In thousands, except per share amounts)						
Diluted earnings (loss) and shares from continuing operations	44,203	\$ 29,168	\$ 0.66	42,994	\$ 15,301	\$ 0.36
Pre-tax items of interest:						
(Gain) loss on franchise disposals		\$ —			\$ 346	
Storm damage charges		—			1,185	
Executive transition costs		—			1,581	
Total pre-tax items of interest		—			3,112	
Tax effect of above items		—			(848)	
Non-recurring tax items		—			763	
Adjusted diluted earnings (loss) and shares from continuing operations	44,203	\$ 29,168	\$ 0.66	42,994	\$ 18,328	\$ 0.43

	Nine Months Ended September 30, 2019			Nine Months Ended September 30, 2018		
	Weighted-Average Shares	Amount	Per Share Amount	Weighted-Average Shares	Amount	Per Share Amount
(In thousands, except per share amounts)						
Diluted earnings (loss) and shares from continuing operations	43,456	\$ 98,268	\$ 2.26	42,964	\$ 30,409	\$ 0.71
Pre-tax items of interest:						
(Gain) loss on franchise disposals		\$ (46,680)			\$ (38,893)	
Legal and storm damage charges		—			5,749	
Long-term compensation charges		—			32,522	
Executive transition costs		6,264			1,581	
Impairment charges		1,926			13,958	
Lease exit charges		—			2,235	
Total pre-tax items of interest		(38,490)			17,152	
Tax effect of above items		12,902			(4,674)	
Non-recurring tax items		—			1,313	
Adjusted diluted earnings (loss) and shares from continuing operations	43,456	\$ 72,680	\$ 1.67	42,964	\$ 44,200	\$ 1.03



*Adjusted EBITDA - Non-GAAP Reconciliation*

	Three Months Ended September 30, 2019				Three Months Ended September 30, 2018			
	Franchised Dealerships Segment	EchoPark Segment	Discontinued Operations	Total	Franchised Dealerships Segment	EchoPark Segment	Discontinued Operations	Total
	(In thousands)							
Net income (loss)				\$ 29,010				\$ 15,118
Provision for income taxes				11,307				7,262
Income (loss) before taxes	\$ 38,417	\$ 2,123	\$ (223)	\$ 40,317	\$ 28,087	\$ (5,455)	\$ (252)	\$ 22,380
Non-floor plan interest	12,011	402	—	12,413	12,279	423	98	12,800
Depreciation & amortization	21,561	2,703	—	24,264	22,140	1,999	—	24,139
Stock-based compensation expense	2,681	—	—	2,681	4,578	—	—	4,578
Loss (gain) on exit of leased dealerships	—	—	—	—	24	4	103	131
Asset impairment charges	—	1,124	—	1,124	—	—	—	—
Loss (gain) on franchise disposals	823	—	—	823	88	—	—	88
Adjusted EBITDA	\$ 75,493	\$ 6,352	\$ (223)	\$ 81,622	\$ 67,196	\$ (3,029)	\$ (51)	\$ 64,116

	Nine Months Ended September 30, 2019				Nine Months Ended September 30, 2018			
	Franchised Dealerships Segment	EchoPark Segment	Discontinued Operations	Total	Franchised Dealerships Segment	EchoPark Segment	Discontinued Operations	Total
	(In thousands)							
Net income (loss)				\$ 97,831				\$ 29,830
Provision for income taxes				40,251				13,493
Income (loss) before taxes	\$ 134,701	\$ 3,997	\$ (616)	\$ 138,082	\$ 92,094	\$ (47,974)	\$ (797)	\$ 43,323
Non-floor plan interest	36,440	1,266	—	37,706	37,097	1,219	319	38,635
Depreciation & amortization	64,121	7,788	—	71,909	67,771	5,584	—	73,355
Stock-based compensation expense	8,107	—	—	8,107	10,589	—	—	10,589
Loss (gain) on exit of leased dealerships	(170)	—	—	(170)	2,361	18	318	2,697
Asset impairment charges	25	3,051	—	3,076	13,879	82	—	13,961
Long-term compensation charges	—	—	—	—	—	32,522	—	32,522
Loss (gain) on franchise disposals	(45,570)	—	—	(45,570)	(39,149)	—	—	(39,149)
Adjusted EBITDA	\$ 197,654	\$ 16,102	\$ (616)	\$ 213,140	\$ 184,642	\$ (8,549)	\$ (160)	\$ 175,933

Exhibit 99.2

*Q3 2019  
Investor  
Presentation*



# FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events, are not historical facts and are based on our current expectations and assumptions regarding our business, the economy and other future conditions. These statements can generally be identified by lead-in words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “foresee”, “may”, “will” and other similar words. Statements that describe our Company’s objectives, plans or goals are also forward-looking statements. Examples of such forward-looking information we may be discussing in this presentation include, without limitation, earnings expectations, anticipated 2019 industry new vehicle sales volume, the implementation of growth and operating strategies, including acquisitions of dealerships and properties, the development of open points and stand-alone pre-owned stores, the return of capital to stockholders, anticipated future success and impacts from the implementation of our strategic initiatives and earnings per share expectations.

You are cautioned that these forward-looking statements are not guarantees of future performance, involve risks and uncertainties and actual results may differ materially from those projected in the forward-looking statements as a result of various factors. These risks and uncertainties include, without limitation, economic conditions in the markets in which we operate, new and used vehicle industry sales volume, the success of our operational strategies, the rate and timing of overall economic recovery or decline, and the risk factors described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018 and the Company’s other periodic reports and information filed with the Securities and Exchange Commission.

These forward-looking statements, risks, uncertainties and additional factors speak only as of the date of this presentation. We undertake no obligation to update any such statements, except as required under federal securities laws and the rules and regulations of the Securities and Exchange Commission.



# CONTENT

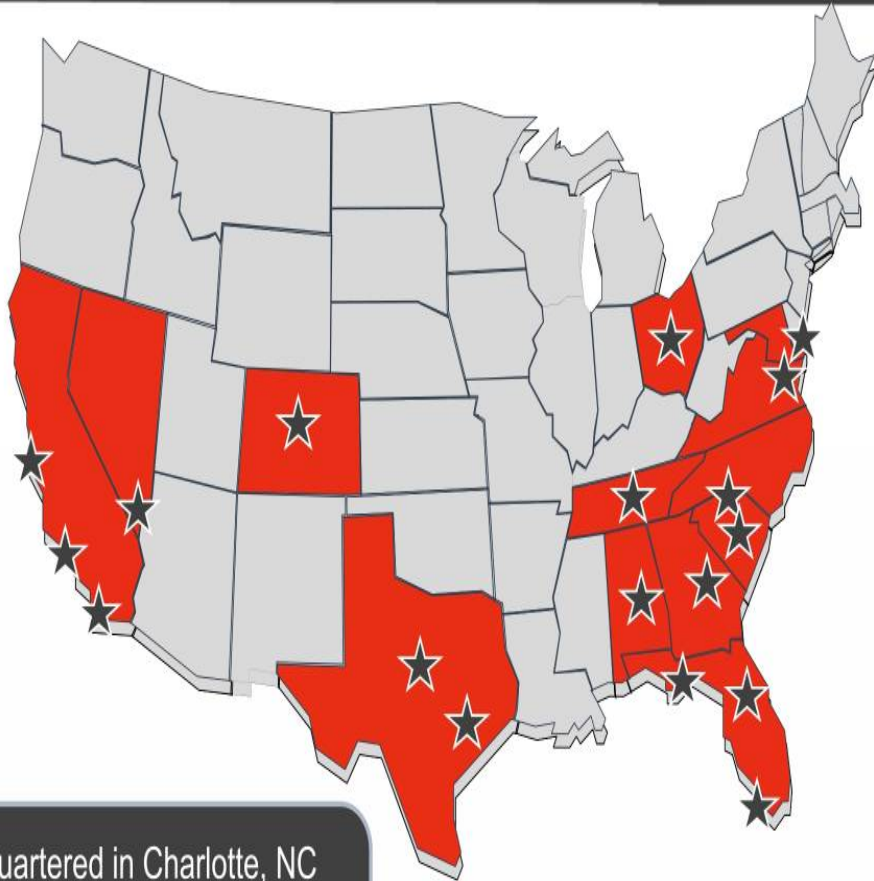
- COMPANY OVERVIEW
- FINANCIAL & OPERATIONS REVIEW
- APPENDIX

# COMPANY OVERVIEW





## OVERVIEW – FRANCHISED GEOGRAPHIC



Headquartered in Charlotte, NC  
91 Stores, 23 Brands,  
15 Collision Repair Centers  
Platforms in Major Metro Markets



# OVERVIEW – ECHOPARK GEOGRAPHIC

Texas – 4 Locations  
 Colorado – 3 Locations  
 North Carolina – 1 Location

- Charlotte Location Opened in October 2018
- Velocity of Sales Increasing Faster Compared to Other New Openings

- Thornton and Centennial Opened in 2015
- Colorado Springs Opened in Q2 2017

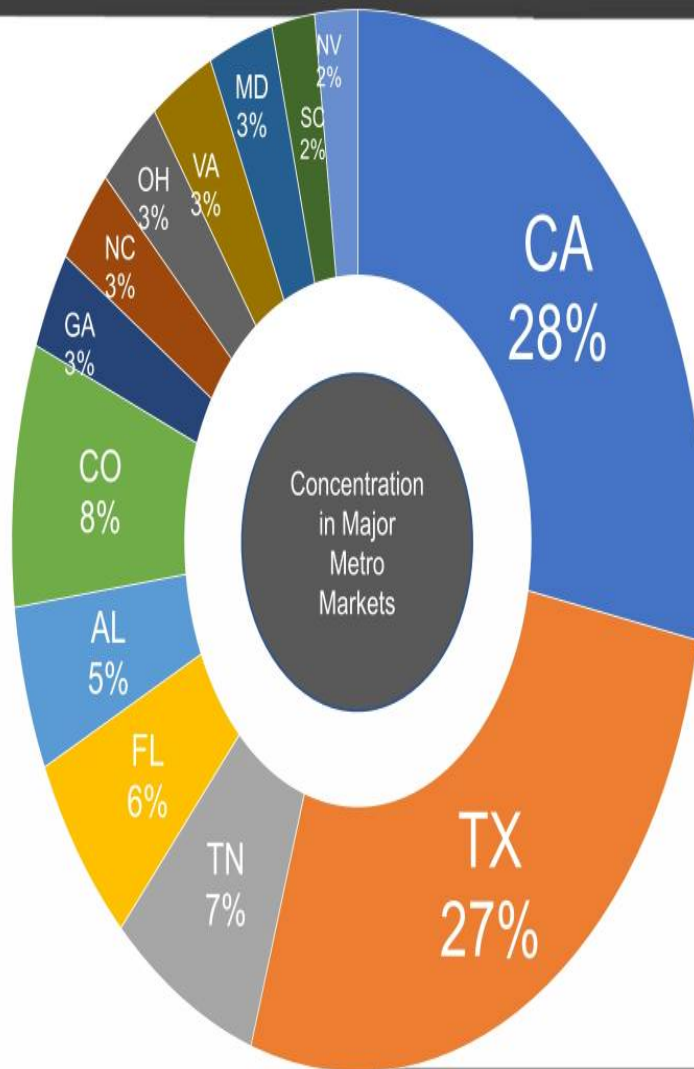
- Dallas / Grand Prairie Location – Relocated driversselect Operation (Purchased in Q3 2017)

- Houston Location Opened in December 2018

- San Antonio Location Opened in Q4 2017
- New Braunfels Location Opened in Q1 2018



# OVERVIEW - GEOGRAPHIC



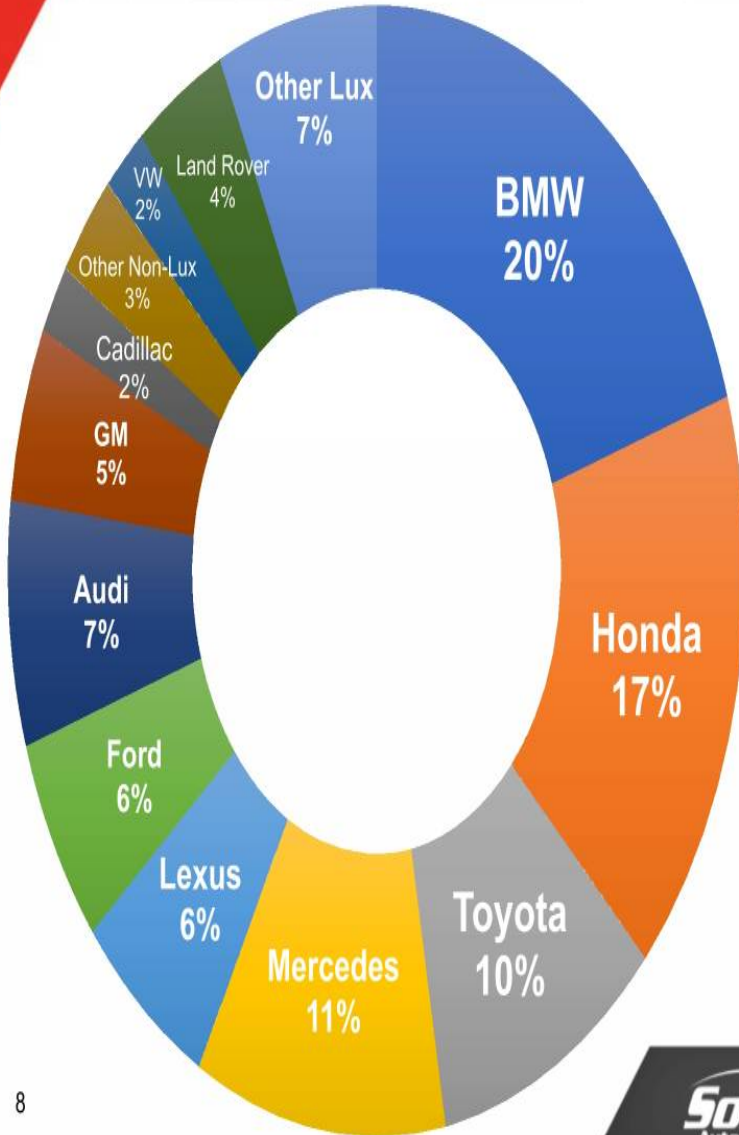
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Note: Percentages are percent of total revenue for FY 2018.

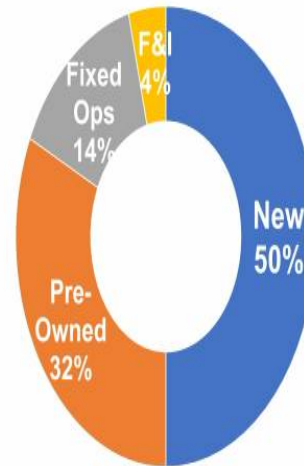




# OVERVIEW – BRAND & REVENUE COMPOSITION



Revenue Streams and Brand Mix Offer Attractive Diversification Across the Automotive Retail Space



Note: All Percentages are for FY 2018.



# Q3 2019 FINANCIAL REVIEW

FRANCHISED  
SEGMENT

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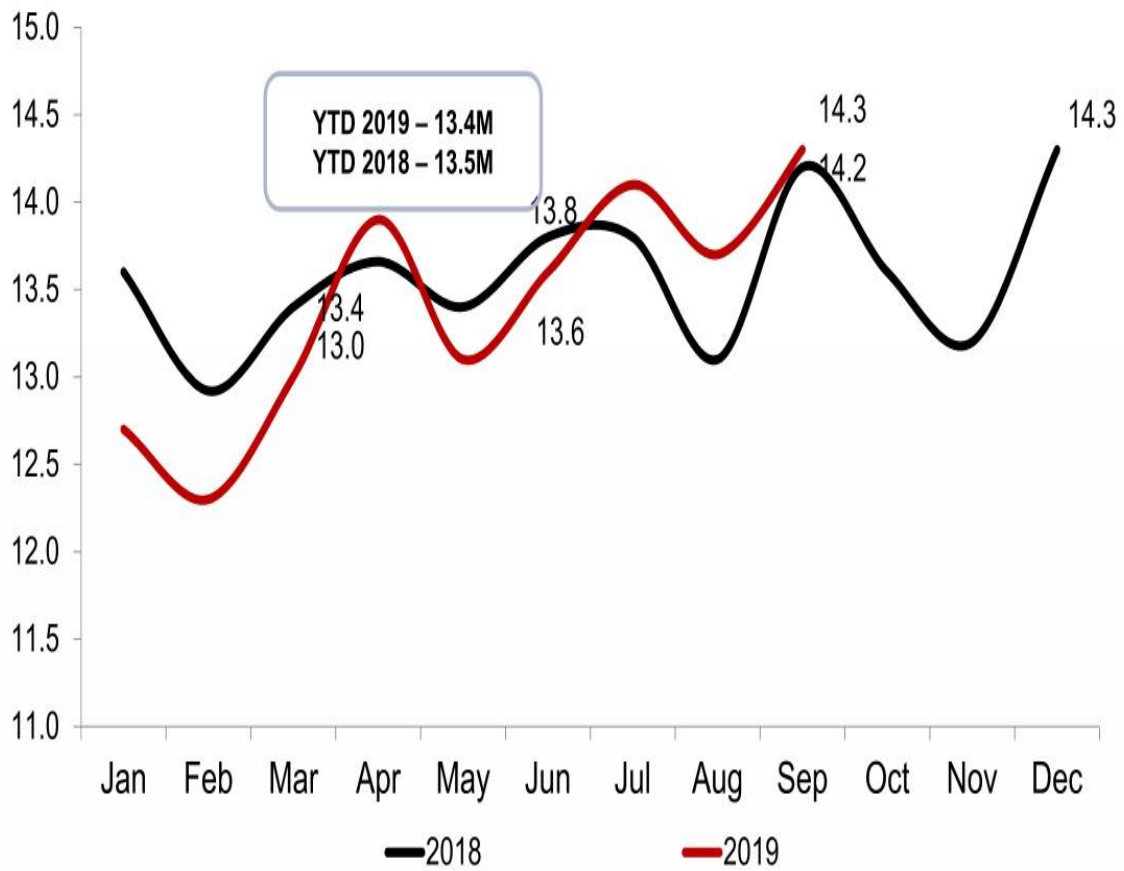
## FRANCHISED SEGMENT Q3 2019 RESULTS

(In millions)	Continuing Ops			Same Store		
	Q3 2019	B/(W) than Q3 2018		Q3 2019	B/(W) than Q3 2018	
		\$	%		\$	%
Revenue	\$2,391	\$106	4.6%	\$2,376	\$196	9.0%
Gross Profit	\$357	\$11	3.2%	\$350	\$25	7.8%
SG&A	\$275	(\$2)	(0.8%)	\$266	(\$16)	(6.2%)
SG&A as % of Gross Profit	76.9%		170 bps	75.9%		110 bps
Depreciation	\$21	\$0	1.9%	\$11	\$0	2.4%
Operating Profit	\$62	\$9	17.3%	\$74	\$10	15.8%
Interest & Other	\$23	\$1	4.9%	\$14	(\$1)	(10.7%)
Pre-tax	\$38	\$10	36.8%	\$60	\$9	17.1%

Note: Results reported for the third quarter of 2018 include pre-tax SG&A expenses totaling \$3.1 million related to storm damage, executive transition costs and charges related to the disposal of franchises.



## NEW VEHICLE SAAR - RETAIL



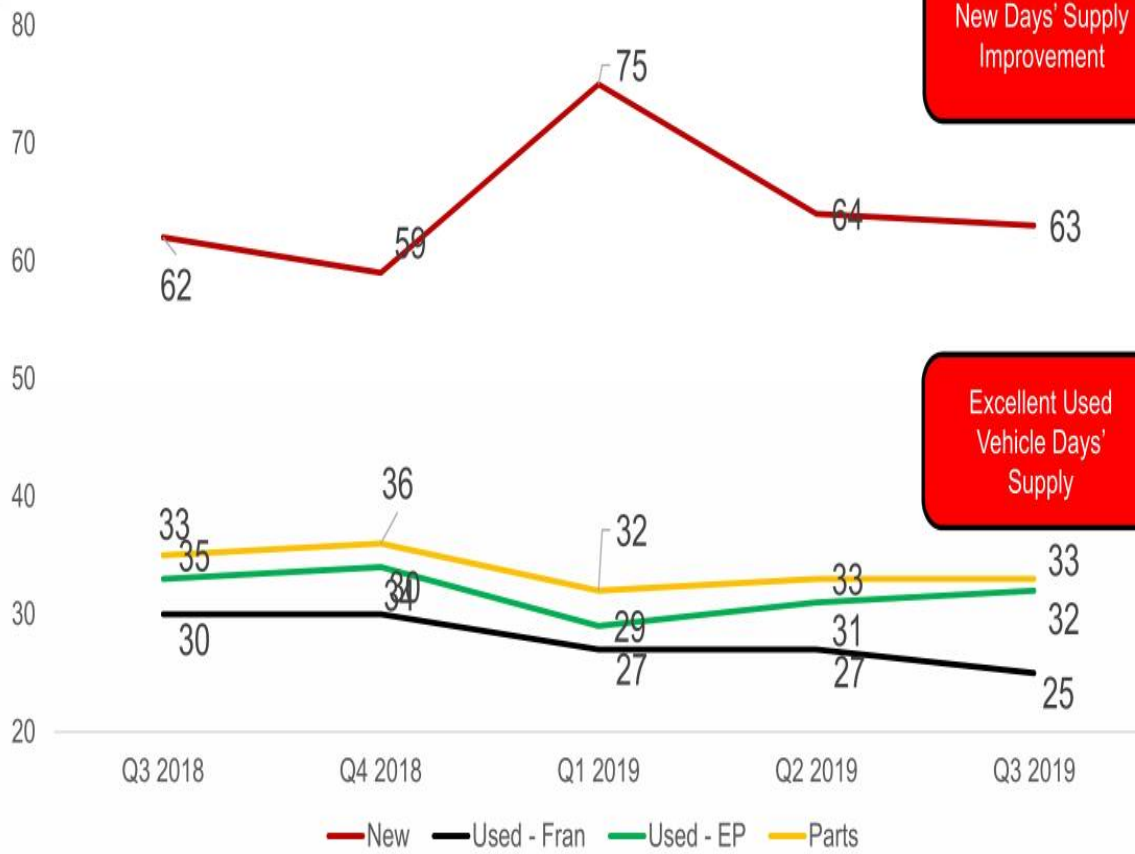
## NEW VEHICLE SAME STORE - FRANCHISED

	Q3 2019	Q3 2018	B/(W)
New Volume	30,046	29,139	3.1%
Selling Price	\$ 41,710	\$ 40,314	3.5%
Gross Margin %	4.4%	5.0%	(60) bps
GPU	\$ 1,825	\$ 2,005	\$ (180)
Gross Profit (millions)	\$ 54.8	\$ 58.4	(6.2%)
Retail SAAR (millions)	14.0	13.7	2.2%

### New Units

	Jul	Aug	Sep	Total
2019	9,799	10,710	9,537	30,046
2018	9,759	10,008	9,372	29,139
B/(W)	40	702	165	907
% B/(W)	0.4%	7.0%	1.8%	3.1%

# DAYS' SUPPLY





## USED VEHICLE RETAIL

Franchised – Same Store

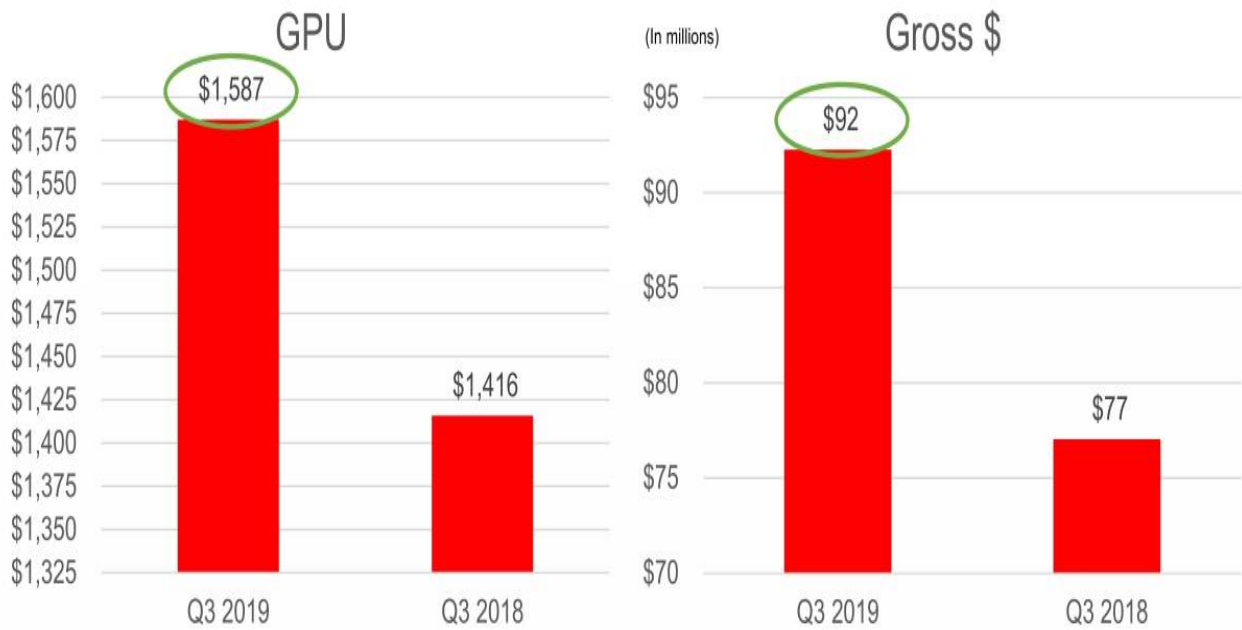
	Q3 2019	Q3 2018	B/(W)
Retail Volume	29,050	26,067	11.4%
GPU	\$ 1,235	\$ 1,330	\$ (95)
Used to New Ratio	97%	89%	800 bps
Vehicles/Store/Month (90 stores)	108	97	11

### Front End Gross and F&I

(in millions)	Jul	Aug	Sep	Total
2019	\$ 26.9	\$ 28.0	\$ 27.1	\$ 82.0
2018	24.3	24.6	22.7	71.6
B/(W)	\$ 2.6	\$ 3.4	\$ 4.4	\$ 10.4

# F&I – GROSS PROFIT & GPU TRENDS

Franchised – Same Store





## FIXED OPERATIONS

Franchised – Same Store

(In thousands)	Q3 2019	Q3 2018	\$ B/(W)	% B/(W)
Customer Pay	\$ 76,435	\$ 70,218	\$ 6,217	8.9%
Warranty	37,982	35,569	2,413	6.8%
Wholesale Parts	6,594	6,468	126	1.9%
Sublet	4,876	4,591	286	6.2%
Internal	27,988	25,819	2,169	8.4%
Other	14,402	13,479	923	6.8%
<b>Total Gross</b>	<b>\$ 168,277</b>	<b>\$ 156,143</b>	<b>\$ 12,134</b>	<b>7.8%</b>

# Q3 2019 FINANCIAL REVIEW

ECHOPARK  
SEGMENT

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## ECHOPARK SEGMENT Q3 2019 RESULTS

Revenues

Up  
67.9%

Gross Profit

Up  
107.2%

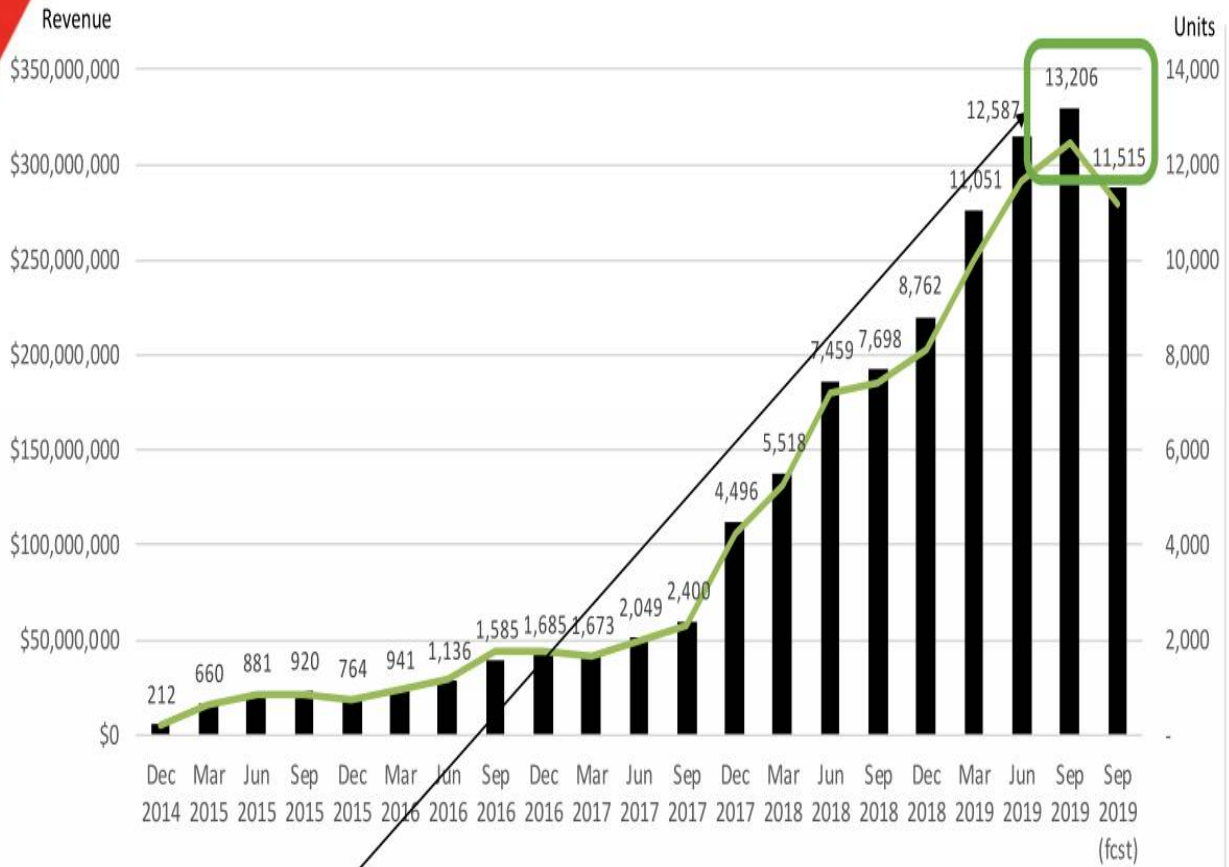
Pre-tax

Up  
138.9%

## ECHOPARK SEGMENT Q3 2019 RESULTS

	Q3 2019	B/(W) than Q3 2018	
		\$	%
(In millions, except unit and per unit data)			
Revenue	\$312.2	\$126.3	67.9% ←
Gross Profit	\$29.6	\$15.3	107.2% ←
SG&A	\$22.2	(\$5.5)	(33.1%)
SG&A as % of Gross Profit	75.3%		4,200 bps
Depreciation Expense	\$2.7	(\$0.7)	(35.3%)
Operating Profit	\$3.5	\$7.9	178.4%
Interest & Other	(\$1.4)	(\$0.4)	(35.6%)
Pre-tax	\$2.1	\$7.6	138.9% ←
Retail Units	13,206	5,508	71.6%
Total Front and F&I Gross per Unit Retailed	\$2,264	\$471	26.2% ←

# ECHOPARK RETAIL UNIT SALES GROWTH

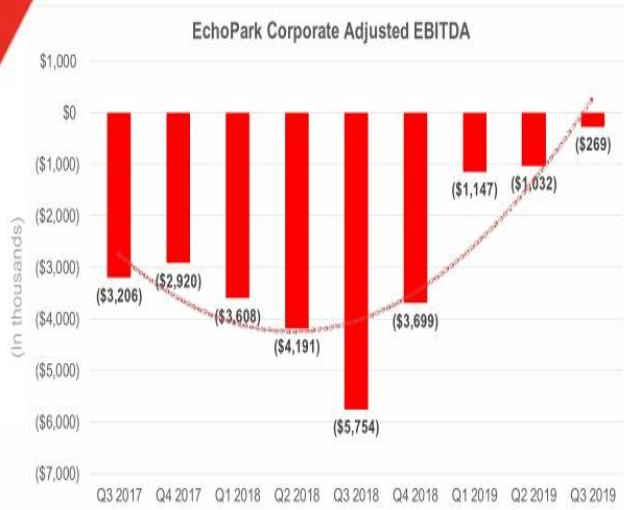


**Q3 2019 Unit Volume  
14.7% Better than Forecast**

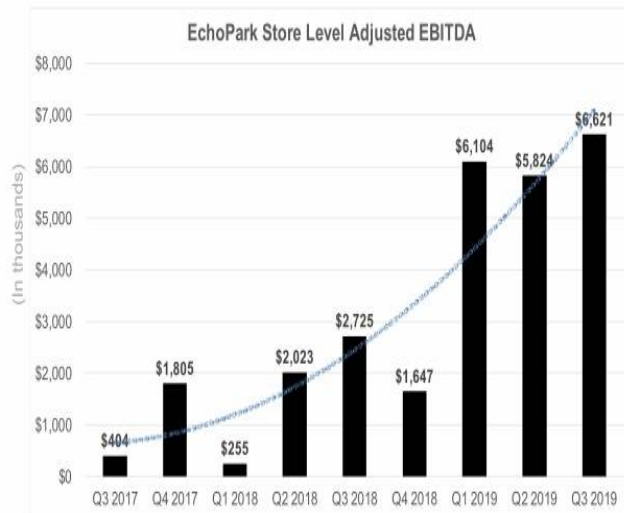
**2019 Revenues Projected at \$1.2B**



## ECHOPARK CASH FLOW – CORPORATE & STORE LEVEL



- Corporate Cost Structure is Maturing and Becoming More Efficient
- Expect Leveraging of Corporate Investment to Continue to Improve
- May Fluctuate in Periods of Expansion



- Stores Continuing to Mature
- Estimate Current Stores are on Average 50% Mature
- Expect Current Upward Trend to Continue

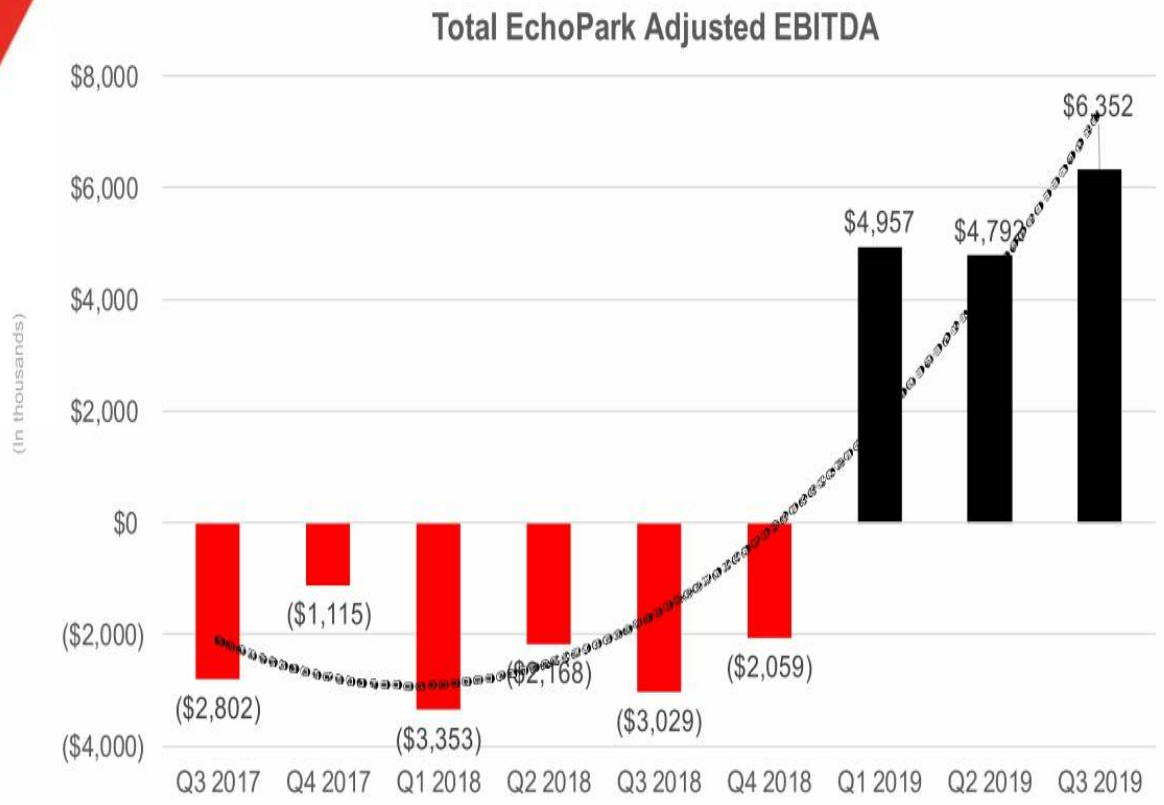
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Note: Refer to Slides at End of Presentation for Reconciliation of Non-GAAP Measures.





## ECHOPARK CASH FLOW - CONSOLIDATED



- Current Inventory and Pricing Strategy Began in Q2 2018
- New Store Openings & Relocations in Q3 & Q4 2018 Compressed Cash Flow

Note: Refer to Slides at End of Presentation for Reconciliation of Non-GAAP Measures.

## ECHOPARK MODEL ESTIMATES

	Medium	Large	
Average Selling Price	\$ 20,500	\$ 20,500	<b>Existing Medium Stores:</b> Centennial, CO Colorado Springs, CO New Braunfels, TX San Antonio, TX Charlotte, NC  <b>Existing Large Stores:</b> Dallas, TX Thornton, CO Houston, TX  <b>Other Targeted Markets:</b> Atlanta, GA Fort Lauderdale/Miami, FL Los Angeles, CA Nashville, TN Orlando, FL Philadelphia, PA Phoenix, AZ Tampa/St. Petersburg, FL Washington, D.C.
Annual Revenues	\$ 184,500,000	\$ 369,000,000	
Average Monthly Unit Volume - 100% Mature	750	1,500	
Total Front-End and F&I GPU	\$ 2,150	\$ 2,150	
Average Monthly Profitability - 100% Mature	\$ 600,000	\$ 1,200,000	
Average Compensation Per Employee (with Fringe)	\$ 78,000	\$ 78,000	
Staff (Headcount)	105	170	
Average Retail Unit Sales Per Head	7.1	8.8	
Target Inventory Days' Supply	30 Days	30 Days	
Working Capital Investment - 100% Mature	\$ 14,000,000	\$ 30,000,000	
Fixed Investment - 100% Mature	\$ 16,000,000	\$ 20,000,000	
Total Capital Investment	<u>\$ 30,000,000</u>	<u>\$ 50,000,000</u>	
Pre-tax ROI - 100% Mature	24%	29%	





# Q3 2019 FINANCIAL REVIEW

CONSOLIDATED

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## CONSOLIDATED Q3 2019 RESULTS

(In millions, except per share data)	Q3 2019	B/(W) than Q3 2018		
		\$	%	
Revenue	\$2,703	\$232	9.4%	
Gross Profit	\$387	\$26	7.3%	←
SG&A	\$297	(\$8)	(2.7%)	
SG&A as % of Gross Profit	76.7%		350 bps	←
Depreciation	\$24	(\$0)	(1.2%)	
Operating Profit	\$65	\$17	35.4%	←
Interest & Other	(\$25)	\$1	3.3%	
Continuing Ops:				
Profit (after tax)	\$29	\$14	90.6%	←
Diluted EPS	\$ 0.66	\$ 0.30	83.3%	

Note: Results reported for the third quarter of 2018 include pre-tax SG&A expenses totaling \$3.1 million related to storm damage, executive transition costs and charges related to the disposal of franchises.

## Q3 2019 REVENUE & GROSS PROFIT

(In millions, except unit and per unit data)	Q3 2019	B/(W) than Q3 2018	
		\$	%
New Revenue	\$1,258	\$23	1.9%
Used Retail Revenue	\$914	\$168	22.6%
Fixed Operations Revenue	\$352	\$9	2.6%
F&I Revenue	\$127	\$29	29.3%
Total Revenue	\$2,703	\$232	9.4%
New Gross Profit	\$55	(\$6)	(10.3%)
- Units	30,147	(862)	(2.8%)
- GPU	\$1,835	(\$153)	(7.7%)
Used Retail Gross Profit	\$37	\$2	4.3%
- Units ★	42,453	7,501	21.5%
- GPU	\$867	(\$143)	(14.1%)
F&I Gross Profit ★	\$127	\$29	29.3%
- GPU ★	\$1,771	\$266	17.7%
Fixed Operations Gross Profit	\$169	\$2	1.3%
Total Gross Profit	\$387	\$26	7.3%

All-Time Quarterly Record



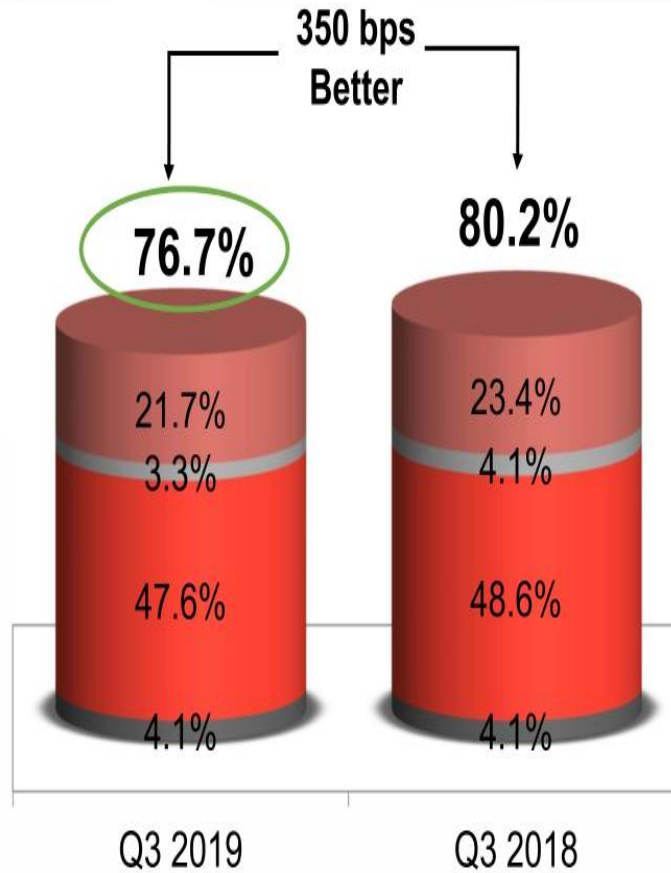
## Q3 2019 REVENUE & GROSS PROFIT SAME STORE

(In millions, except unit and per unit data)	Q3 2019	B/(W) than Q3 2018	
		\$	%
New Revenue	\$1,253	\$79	6.7%
Used Retail Revenue	\$856	\$142	19.9%
Fixed Operations Revenue	\$349	\$22	6.9%
F&I Revenue	\$117	\$25	26.5%
Total Revenue	\$2,625	\$272	11.6%
New Gross Profit	\$55	(\$4)	(6.2%)
- Units	30,046	907	3.1%
- GPU	\$1,825	(\$180)	(9.0%)
Used Retail Gross Profit	\$34	\$1	2.0%
- Units	39,521	6,393	19.3%
- GPU	\$854	(\$144)	(14.5%)
F&I Gross Profit	\$117	\$25	26.5%
- GPU	\$1,704	\$201	13.4%
Fixed Operations Gross Profit	\$168	\$11	7.3%
Total Gross Profit	\$373	\$33	9.8%

All-Time Quarterly Record



## Q3 2019 SG&A TO GROSS PROFIT



■ Advertising ■ Comp ■ Rent ■ Other

Note: Results reported for the third quarter of 2018 include pre-tax SG&A expenses totaling \$3.1 million related to storm damage, executive transition costs and charges related to the disposal of franchises.

## Q3 2019 INTEREST EXPENSE

(In millions)	Q3 2019	B/(W) than Q3 2018	
		\$	%
Floor Plan Interest Expense	\$12	\$1	4.5%
Interest Expense, Other	\$13	\$0	2.3%
Total Interest Expense	\$25	\$1	3.3%

Floor Plan Lower Due to New Vehicle Rate Decrease,  
Offset Partially by Used Vehicle Rate Increase

- New Down 29 bps
- Used Up 28 bps

Fed Funds Rate Increases (2018)

- March 21 – 0.25%
- June 13 – 0.25%
- September 26 – 0.25%
- December 20 – 0.25%

Fed Funds Rate Cuts (2019)

- July 31 – (0.25%)
- September 18 – (0.25%)



## Q3 2019 DEPRECIATION EXPENSE

(In millions)	Q3 2019	B/(W) than Q3 2018	
		\$	%
Depreciation Expense - Franchised	\$21	\$0	1.9%
Depreciation Expense - EchoPark	\$3	(\$1)	(35.3%)
Total	\$24	(\$0)	(1.2%)

## CAPITAL EXPENDITURES

(In millions)	FY 2018	Q1 2019	Q2 2019	Q3 2019	YTD 2019	Estimated FY 2019
Real Estate & Facility Related	\$ 147.6	\$ 25.7	\$ 16.3	\$ 19.2	\$ 61.2	\$ 108.0
All Other Cap Ex	16.0	4.9	4.3	4.1	13.3	20.0
Subtotal	163.6	30.6	20.6	23.3	74.5	128.0
Less: Mortgage Proceeds	(21.1)	-	-	-	-	-
Total Cash Used - Cap Ex	\$ 142.5	\$ 30.6	\$ 20.6	\$ 23.3	\$ 74.5	\$ 128.0



## DEBT COVENANTS

	Covenant	Q4 2018	Q3 2019
Liquidity Ratio	$\geq 1.05$	1.10	1.19
Fixed Charge Coverage Ratio	$\geq 1.20$	1.43	1.63
Total Lease Adjusted Leverage Ratio	$\leq 5.75$	5.25	3.91

Compliant with all Covenants

# RECONCILIATION OF NON-GAAP MEASURES



## ADJUSTED DILUTED EARNINGS PER SHARE

	Three Months Ended September 30, 2019		Three Months Ended September 30, 2018	
	Amount	Diluted EPS	Amount	Diluted EPS
(In thousands, except per share data)				
Reported Net Income and Diluted Earnings Per Share from Continuing Operations	\$ 29,168	\$ 0.66	\$ 15,301	\$ 0.36
Pre-tax Items of Interest:				
(Gain) Loss on Franchise Disposals	-		\$ 346	
Storm Damage Charges	-		1,185	
Executive Transition Costs	-		1,581	
Total Pre-tax Items of Interest	-		3,112	
Tax Effect of Adjustments	-		(848)	
Non-recurring tax items	-		763	
Adjusted Net Income and Diluted Earnings Per Share from Continuing Operations	\$ 29,168	\$ 0.66	\$ 18,328	\$ 0.43

## ADJUSTED DILUTED EARNINGS PER SHARE

	Nine Months Ended September 30, 2019		Nine Months Ended September 30, 2018	
	Amount	Diluted EPS	Amount	Diluted EPS
(In thousands, except per share data)				
Reported Net Income and Diluted Earnings Per Share from Continuing Operations	\$ 98,268	\$ 2.26	\$ 30,409	\$ 0.71
Pre-tax Items of Interest:				
(Gain) Loss on Franchise Disposals	\$ (46,680)		\$ (38,893)	
Legal and Storm Damage Charges	-		5,749	
Long-Term Compensation Charges	-		32,522	
Executive Transition Costs	6,264		1,581	
Impairment Charges	1,926		13,958	
Lease Exit Charges	-		2,235	
Total Pre-tax Items of Interest	(38,490)		17,152	
Tax Effect of Adjustments	12,902		(4,674)	
Non-recurring tax items	-		1,313	
Adjusted Net Income and Diluted Earnings Per Share from Continuing Operations	\$ 72,680	\$ 1.67	\$ 44,200	\$ 1.03

## ADJUSTED EBITDA – CONSOLIDATED

(In thousands)	2011	2012	2013	2014	2015	2016	2017	2018	LTM 9/30/2019
Net Income	\$ 76,254	\$ 89,101	\$ 81,618	\$ 97,217	\$ 86,311	\$ 93,193	\$ 92,983	\$ 51,649	\$ 119,650
Non-Floor Plan Interest	63,576	58,453	55,356	52,269	49,524	48,034	50,531	52,049	51,119
Depreciation and Amortization	51,164	52,616	58,139	62,161	72,130	81,034	92,127	96,652	95,206
Income Taxes	46,907	47,648	43,386	62,346	55,962	59,899	13,198	22,646	49,403
Stock Compensation	3,698	5,160	7,208	7,675	9,814	11,165	11,119	11,853	9,371
Lease Exit Charges	4,384	4,286	2,915	302	1,848	1,386	2,157	1,708	(1,157)
Impairment Charges	1,151	950	9,872	6,594	17,955	8,063	9,394	29,513	18,629
Loss (Gain) on Debt Extinguishment	1,107	19,713	28,238	-	-	(6)	14,607	-	-
Long-Term Compensation Charges	-	-	-	-	-	-	-	32,522	-
Loss (Gain) on Franchise Disposals	386	(10,343)	457	(11,279)	(2,748)	48	(9,980)	(39,307)	(45,729)
Adjusted EBITDA	<u>\$ 248,627</u>	<u>\$ 267,584</u>	<u>\$ 287,189</u>	<u>\$ 277,285</u>	<u>\$ 290,796</u>	<u>\$ 302,816</u>	<u>\$ 276,136</u>	<u>\$ 259,285</u>	<u>\$ 296,492</u>

## ADJUSTED EBITDA BY SEGMENT – Q3 2019 VS. Q3 2018

(In thousands)	Q3 2019					Q3 2018				
	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total
Net Income			\$ 29,168	\$ (158)	\$ 29,010			\$ 15,301	\$ (183)	\$ 15,118
Income Taxes			11,372	(65)	11,307			7,331	(69)	7,262
Income Before Income Taxes	\$ 38,417	\$ 2,123	\$ 40,540	\$ (223)	\$ 40,317	\$ 28,087	\$ (5,455)	\$ 22,632	\$ (252)	\$ 22,380
Non-Floor Plan Interest	12,011	402	12,413	-	12,413	12,279	423	12,702	98	12,800
Depreciation and Amortization	21,561	2,703	24,264	-	24,264	22,140	1,999	24,139	-	24,139
Stock Compensation	2,681	-	2,681	-	2,681	4,578	-	4,578	-	4,578
Lease Exit Charges	-	-	-	-	-	24	4	28	103	131
Impairment Charges	-	1,124	1,124	-	1,124	-	-	-	-	-
Loss (Gain) on Franchise Disposals	823	-	823	-	823	88	-	88	-	88
Adjusted EBITDA	\$ 75,493	\$ 6,352	\$ 81,846	\$ (223)	\$ 81,623	\$ 67,196	\$ (3,029)	\$ 64,167	\$ (51)	\$ 64,116

## ADJUSTED EBITDA BY SEGMENT – Q2 2019 VS. Q2 2018

(In thousands)	Q2 2019					Q2 2018				
	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total
Net Income			\$ 26,751	\$ (151)	\$ 26,599			\$ 17,122	\$ (216)	\$ 16,905
Income Taxes			10,071	(62)	10,009			8,223	(81)	8,142
Income Before Income Taxes	\$ 35,129	\$ 1,693	\$ 36,822	\$ (213)	\$ 36,608	\$ 53,176	\$ (27,832)	\$ 25,344	\$ (297)	\$ 25,047
Non-Floor Plan Interest	12,599	431	13,030	-	13,030	12,349	406	12,755	106	12,862
Depreciation and Amortization	21,736	2,668	24,405	-	24,405	22,801	1,919	24,720	-	24,720
Stock Compensation	2,612	-	2,612	-	2,612	3,049	-	3,049	-	3,049
Lease Exit Charges	-	-	-	-	-	(2,618)	6	(2,612)	106	(2,506)
Impairment Charges	-	-	-	-	-	10,317	-	10,317	-	10,317
Loss (Gain) on Debt Extinguishment	-	-	-	-	-	-	-	-	-	-
Long-Term Compensation Charges	-	-	-	-	-	-	23,333	23,333	-	23,333
Loss (Gain) on Franchise Disposals	356	-	356	-	356	(38,047)	-	(38,047)	-	(38,047)
Adjusted EBITDA	\$ 72,432	\$ 4,792	\$ 77,225	\$ (213)	\$ 77,012	\$ 61,028	\$ (2,168)	\$ 58,860	\$ (84)	\$ 58,776



## ADJUSTED EBITDA BY SEGMENT – Q1 2019 VS. Q1 2018

(In thousands)	Q1 2019					Q1 2018				
	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total
Net Income			\$ 42,349	\$ (128)	\$ 42,221			\$ (2,014)	\$ (180)	\$ (2,194)
Income Taxes			18,987	(52)	18,935			(1,842)	(67)	(1,910)
Income Before Income Taxes	\$ 61,156	\$ 180	\$ 61,336	\$ (180)	\$ 61,157	\$ 10,830	\$ (14,686)	\$ (3,856)	\$ (248)	\$ (4,104)
Non-Floor Plan Interest	11,829	433	12,262	-	12,262	12,469	389	12,858	115	12,973
Depreciation and Amortization	20,823	2,417	23,240	-	23,240	22,829	1,667	24,496	-	24,496
Stock Compensation	2,814	-	2,814	-	2,814	2,962	-	2,962	-	2,962
Lease Exit Charges	(170)	-	(170)	-	(170)	4,955	7	4,961	109	5,070
Impairment Charges	26	1,926	1,952	-	1,952	3,561	82	3,643	-	3,643
Loss (Gain) on Debt Extinguishment	-	-	-	-	-	-	-	-	-	-
Long-Term Compensation Charges	-	-	-	-	-	-	9,189	9,189	-	9,189
Loss (Gain) on Franchise Disposals	(46,750)	-	(46,750)	-	(46,750)	(1,190)	-	(1,190)	-	(1,190)
Adjusted EBITDA	\$ 49,728	\$ 4,957	\$ 54,685	\$ (180)	\$ 54,505	\$ 56,415	\$ (3,353)	\$ 53,063	\$ (24)	\$ 53,038



## ADJUSTED EBITDA BY SEGMENT – Q4 2018 VS. Q4 2017

(In thousands)	Q4 2018					Q4 2017				
	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total
Net Income			\$ 21,981	\$ (161)	\$ 21,820			\$ 62,128	\$ (176)	\$ 61,952
Income Taxes			9,212	(60)	9,152			(8,283)	(116)	(8,399)
Income Before Income Taxes	\$ 37,388	\$ (6,195)	\$ 31,192	\$ (221)	\$ 30,971	\$ 58,441	\$ (3,976)	\$ 53,846	\$ (293)	\$ 53,553
Non-Floor Plan Interest	12,902	423	13,325	89	13,414	12,441	276	12,725	123	12,847
Depreciation and Amortization	21,087	2,210	23,297	-	23,297	22,598	1,314	23,953	-	23,953
Stock Compensation	1,264	-	1,264	-	1,264	2,217	-	2,217	-	2,217
Lease Exit Charges	(1,080)	4	(1,077)	89	(987)	16	-	23	118	141
Impairment Charges	14,053	1,500	15,553	-	15,553	5,890	-	6,079	-	6,079
Loss (Gain) on Debt Extinguishment	-	-	-	-	-	-	-	-	-	-
Long-Term Compensation Charges	-	-	-	-	-	-	1,271	1,271	-	1,271
Loss (Gain) on Franchise Disposals	(158)	-	(158)	-	(158)	(1,507)	-	(1,507)	(6)	(1,513)
Adjusted EBITDA	\$ 85,456	\$ (2,059)	\$ 83,397	\$ (43)	\$ 83,355	\$ 100,095	\$ (1,115)	\$ 98,605	\$ (58)	\$ 98,548

## ADJUSTED EBITDA BY SEGMENT – Q3 2018 VS. Q3 2017

(In thousands)	Q3 2018					Q3 2017				
	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total	Franchised	EchoPark	Continuing Operations	Discontinued Operations	Total
Net Income			\$ 15,301	\$ (183)	\$ 15,118			\$ 19,730	\$ (290)	\$ 19,440
Income Taxes			7,331	(69)	7,262			14,126	(192)	13,935
Income Before Income Taxes	\$ 28,087	\$ (5,455)	\$ 22,632	\$ (252)	\$ 22,380	\$ 38,723	\$ (4,372)	\$ 33,856	\$ (481)	\$ 33,375
Non-Floor Plan Interest	12,279	423	12,702	98	12,800	12,117	253	12,379	132	12,510
Depreciation and Amortization	22,140	1,999	24,139	-	24,139	22,136	1,317	23,496	-	23,496
Stock Compensation	4,578	-	4,578	-	4,578	3,179	-	3,179	-	3,179
Lease Exit Charges	24	4	28	103	131	(181)	-	(173)	362	189
Impairment Charges	-	-	-	-	-	200	-	200	-	200
Loss (Gain) on Franchise Disposals	88	-	88	-	88	(8,490)	-	(8,490)	-	(8,490)
Adjusted EBITDA	\$ 67,196	\$ (3,029)	\$ 64,167	\$ (51)	\$ 64,116	\$ 67,684	\$ (2,802)	\$ 64,448	\$ 12	\$ 64,460



