# UNITED STATES <br> SECURITIES AND EXCHANGE COMMISSION 

Washington, D.C. 20549

FORM 8-K
$\qquad$
CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): January 16, 2020
SONIC AUTOMOTIVE, INC.
(Exact name of registrant as specified in its charter)

|  | Delaware <br> (State or other jurisdiction <br> of incorporation) |
| :---: | :---: |
| 1-13395 <br> (Commission <br> File Number) | 56-2010790 <br> (IRS Employer <br> Identification No.) |
| 4401 Colwick Road <br> Charlotte, North Carolina <br> (Address of principal executive offices) |  |

Registrant's telephone number, including area code: (704) 566-2400
Not Applicable
(Former name or former address, if changed since last report.)

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:
Title of each class Trading Symbol(s) Name of each exchange on which registered
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.

## Item 8.01. Other Events.

On January 16, 2020, Sonic Automotive, Inc. (the "Company") issued a press release announcing a reduction in the Company's amount of total debt (the "Press Release"). A copy of the Press Release is attached hereto as Exhibit 99.1.

## Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit
No. Description
99.1 Press Release of Sonic Automotive, Inc., dated January 16, 2020.

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

## 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.

By: /s/ STEPHEN K. COSS
Stephen K. Coss
Senior Vice President and General Counsel

## Sonic Automotive Pays Off \$289 Million of Public Debt

CHARLOTTE, N.C. - January 16, 2020 - Sonic Automotive Inc. ("Sonic" or the "Company") (NYSE: SAH), one of the nation's largest automotive retailers, completed the early retirement of all $\$ 289.3$ million principal amount of its unsecured $5.0 \%$ Senior Subordinated Notes due 2023 (the " $5.0 \%$ Notes") on December 30, 2019. Altogether, in 2019 the Company reduced its total debt by approximately $\$ 235$ million.

David Smith, Sonic's Chief Executive Officer, commented, "By capitalizing on market conditions, we have made substantial progress towards our target of reducing debt by $\$ 300$ million by mid-to-late 2020. This deleveraging has significantly improved Sonic's financial position going into 2020 by reducing interest expense and improving our debt-to-EBITDA ratio. Our success in strengthening our balance sheet leaves us well positioned to continue to expand our EchoPark footprint and to explore potential acquisition opportunities for our franchised dealership portfolio."

Sonic funded the redemption of the $5.0 \%$ Notes using available liquidity, including cash flow from operations, proceeds from the opportunistic disposition of underperforming franchised dealerships or those expected to have substantial future capital expenditure requirements and borrowings under the Company's recently completed mortgage facility.

## 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. More information about EchoPark Automotive can be found at www.echopark.com.

## Forward-Looking Statements

Included herein are forward-looking statements, including statements as to anticipated reduction of debt in the future, anticipated expansion of the Company's EchoPark business and possible dealership acquisition opportunities. 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, debt levels and related interest expense, economic conditions in the markets in which we operate, the success of our operational strategies, the rate and timing of overall economic expansion 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.

## For further information, please contact:

## Sonic Automotive Inc.

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