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

FORM 8-K

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

Date of Report (Date of earliest event reported): February 15, 2023

SONIC AUTOMOTIVE, INC.

(Exact name of registrant as specified in its charter)

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.)

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.

Item 2.02. Results of Operations and Financial Condition.

On February 15, 2023, Sonic Automotive, Inc. (the “Company”) issued a press release announcing its financial results for its fourth fiscal quarter and fiscal year ended December 31, 2022 (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 February 15, 2023, in the Earnings Press Release, the Company announced the approval of a quarterly cash dividend.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit No.	Description
99.1	Press Release of Sonic Automotive, Inc., dated February 15, 2023.
99.2	Earnings Call Presentation Materials.
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.

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.

February 15, 2023

SONIC AUTOMOTIVE, INC.

By: /s/ STEPHEN K. COSS

Stephen K. Coss

Senior Vice President and General Counsel

Sonic Automotive Reports All-Time Record Fourth Quarter and Full Year Revenues

Repurchased 5.6 Million Shares of Class A Common Stock During 2022, or 14% of Total Shares Outstanding as of December 31, 2021

Announces Acquisition of 13 Powersports Locations, Further Diversifying Retail Portfolio

CHARLOTTE, N.C. – February 15, 2023 – Sonic Automotive, Inc. (“Sonic Automotive,” “Sonic,” the “Company,” “we,” “us” or “our”) (**NYSE:SAH**), one of the nation’s largest automotive retailers, today reported financial results for the fourth quarter and fiscal year ended December 31, 2022.

Fourth Quarter 2022 Financial Summary

- *All-time record quarterly revenues of \$3.6 billion, up 13% year-over-year; record fourth quarter gross profit of \$576.1 million, up 9% year-over-year*
- *Reported fourth quarter net loss of \$190.9 million (\$5.22 loss per diluted share)*
 - *Reported net loss includes the effect of a \$320.4 million pre-tax charge related to non-cash impairment charges, offset partially by a \$9.1 million pre-tax gain on the disposal of real estate and an income tax benefit of \$22.6 million related to these non-recurring items*
 - *Excluding non-recurring items, adjusted fourth quarter net income* was \$97.8 million (\$2.61 adjusted earnings per diluted share*)*
- *Selling, general and administrative (“SG&A”) expenses as a percentage of gross profit of 63.6% (56.6% on a Franchised Dealerships Segment basis, a decrease of 110 basis points year-over-year)*
 - *Adjusted SG&A expenses as a percentage of gross profit* of 65.2% (58.3% on a Franchised Dealerships Segment basis, an increase of 80 basis points year-over-year)*
- *Record fourth quarter EchoPark revenues of \$589.3 million, up 2% year-over-year; fourth quarter EchoPark gross profit of \$40.8 million, flat year-over-year*
- *Since October 1, 2022, Sonic has repurchased approximately 0.7 million shares of its Class A Common Stock for an aggregate purchase price of approximately \$35.8 million, or an average of \$48.25 per share*

Full Year 2022 Financial Summary

- *All-time record annual revenues of \$14.0 billion, up 13% year-over-year; all-time record annual gross profit of \$2.3 billion, up 21% year-over-year*
 - *Reported full year net income of \$88.5 million (\$2.23 earnings per diluted share)*
 - *Reported net income includes the effect of a \$320.4 million pre-tax charge related to non-cash impairment charges and a \$4.4 million pre-tax charge related to long-term compensation charges, offset partially by a \$9.1 million pre-*
-

tax gain on the disposal of real estate and an income tax benefit of \$22.6 million related to these non-recurring items

- *Excluding non-recurring items, adjusted full year net income* was \$381.6 million (\$9.61 adjusted earnings per diluted share*, an all-time annual record)*
- *SG&A expenses as a percentage of gross profit of 67.1% (59.9% on a Franchised Dealerships Segment basis, a decrease of 110 basis points year-over-year)*
 - *Adjusted SG&A expenses as a percentage of gross profit* of 67.3% (60.1% on a Franchised Dealerships Segment basis, a decrease of 80 basis points year-over-year)*
- *All-time record annual EchoPark revenues of \$2.5 billion, up 5% year-over-year; all-time record annual EchoPark gross profit of \$175.1 million, up 18% year-over-year*
- *During 2022, Sonic repurchased approximately 5.6 million shares of its Class A Common Stock for an aggregate purchase price of approximately \$261.9 million, or an average of \$47.08 per share*

* Please refer to the discussion and reconciliation of Non-GAAP Financial Measures below.

Commentary

David Smith, Chairman and Chief Executive Officer of Sonic Automotive, stated, “We are extremely proud of our team’s performance in the fourth quarter, capping off another year of all-time record annual revenues and adjusted earnings per share. Our commitment to delivering an exceptional guest experience and our dedication to the growth and development of our teammates continue to pay dividends for our key stakeholders. As we execute our long-term strategic plan, we remain focused on leveraging growth opportunities across our diversified portfolio to maximize future earnings potential and to position Sonic Automotive for continued success in the future. To that end, we are pleased to announce further diversification of our retail portfolio with our newly created Powersports Segment, driving incremental growth opportunities by partnering with top powersports brands, including Harley-Davidson, Can-Am, Sea-Doo, Polaris, Kawasaki, Suzuki, Ducati, BMW, Honda, Indian Motorcycle and Yamaha. We are excited about the opportunity in this space and would like to welcome the teams from Black Hills Harley-Davidson in Sturgis, South Dakota, Team Mancuso Powersports in Houston, Texas, and Horny Toad Harley-Davidson in Temple, Texas to the Sonic Automotive family.”

Jeff Dyke, President of Sonic Automotive, commented, “Our franchised dealerships team has continued to successfully adapt to an unprecedented automotive retail environment, driving exceptional performance in 2022. Despite a challenging used vehicle industry backdrop, we remain committed to EchoPark’s long-term potential and are focused on executing strategic enhancements to the business model in 2023, while maintaining our target of 90% U.S. population coverage by 2025. We firmly believe in our team’s ability to adapt to an evolving automotive retail market and macroeconomic backdrop to drive toward achieving our long-term goals.”

Heath Byrd, Chief Financial Officer of Sonic Automotive, added, “Our outstanding results in 2022 speak to the strength of our diversified model, which has allowed us to focus on the long-term growth potential at EchoPark while also returning capital to our stockholders via our dividend and share repurchases. We remain committed to a disciplined, return-based capital allocation, balancing \$454.8 million in remaining share repurchase authorization with prudent cash management in an uncertain macroeconomic

environment. We had \$804.5 million of liquidity as of December 31, 2022, which we believe provides us flexibility to strategically deploy capital in 2023 and beyond to continue to deliver long-term returns for our stockholders.”

Fourth Quarter 2022 Segment Highlights

The financial measures discussed below are results for the fourth quarter of 2022 with comparisons made to the fourth quarter of 2021, unless otherwise noted.

- Franchised Dealerships Segment operating results include:
 - Same store revenues up 12%; same store gross profit up 3%
 - Same store retail new vehicle unit sales volume up 5%; same store retail new vehicle gross profit per unit down 6%, to \$6,301
 - Same store retail used vehicle unit sales volume up 6%; same store retail used vehicle gross profit per unit down 33%, to \$1,405
 - Same store parts, service and collision repair (“Fixed Operations”) gross profit up 12%; same store customer pay gross profit up 13%; same store warranty gross profit up 15%; same store Fixed Operations gross margin up 10 basis points, to 49.8%
 - Same store F&I gross profit up 11%; record fourth quarter reported Franchised Dealerships Segment F&I gross profit per retail unit of \$2,421, up 3%
 - On a trailing quarter cost of sales basis, the Franchised Dealerships Segment had 24 days’ supply of new vehicle inventory (including in-transit) and 26 days’ supply of used vehicle inventory
- EchoPark Segment operating results include:
 - Record fourth quarter revenues of \$589.3 million, up 2% year-over-year; gross profit of \$40.8 million, flat year-over-year
 - Record fourth quarter retail used vehicle unit sales volume of 17,435, up 11% year-over-year
 - Retail used vehicle unit sales volume was comprised of 81% 1-4-year-old vehicles and 19% 5-plus-year-old vehicles, with 28% of retail used vehicle unit sales volume sourced from non-auction sources
 - Segment loss of \$33.3 million and adjusted EBITDA* loss of \$25.4 million (including market expansion-related losses of \$4.2 million and \$3.6 million, respectively)
 - On a trailing quarter cost of sales basis, the EchoPark Segment had 40 days’ supply of used vehicle inventory
- Powersports Segment operating results include:
 - Financial results from eight stores acquired during 2022, including Horny Toad Harley-Davidson in Temple, Texas (acquired January 2022) and seven Team Mancuso Powersports stores in Houston, Texas (acquired August 2022)
 - Revenues of \$28.6 million, gross profit of \$8.7 million, gross margin of 30.3%
 - Segment income of \$1.8 million and adjusted EBITDA* of \$2.9 million

* Please refer to the discussion and reconciliation of Non-GAAP Financial Measures below.

Full Year 2022 Segment Highlights

The financial measures discussed below are results for the full year 2022 with comparisons made to the full year 2021, unless otherwise noted.

- Franchised Dealerships Segment operating results include:
 - Same store revenues up 1%; same store gross profit up 7%
 - Same store retail new vehicle unit sales volume down 14%; same store retail new vehicle gross profit per unit up 45%, to \$6,630
 - Same store retail used vehicle unit sales volume down 11%; same store retail used vehicle gross profit per unit down 9%, to \$1,605
 - Same store Fixed Operations gross profit up 9%; same store customer pay gross profit up 14%; same store warranty gross profit up 1%; same store Fixed Operations gross margin down 40 basis points, to 49.8%
 - Same store F&I gross profit down 1%; record annual reported Franchised Dealerships Segment F&I gross profit per retail unit of \$2,453, up 14%
- EchoPark Segment operating results include:
 - All-time record annual revenues of \$2.5 billion, up 5% year-over-year; all-time record annual gross profit of \$175.1 million, up 18% year-over-year
 - Retail used vehicle unit sales volume of 64,259, down 18% year-over-year
 - Retail used vehicle unit sales volume was comprised of 86% 1-4-year-old vehicles and 14% 5-plus-year-old vehicles, with 25% of retail used vehicle unit sales volume sourced from non-auction sources
 - Segment loss of \$133.9 million and adjusted EBITDA* loss of \$105.4 million (including market expansion-related losses of \$32.6 million and \$30.2 million, respectively)
- Powersports Segment operating results include:
 - Financial results from eight stores acquired during 2022, including Horny Toad Harley-Davidson in Temple, Texas (acquired January 2022) and seven Team Mancuso Powersports stores in Houston, Texas (acquired August 2022)
 - Full year 2022 financial results for the Powersports Segment do not reflect expected annualized amounts on a go-forward basis due to the timing of acquisitions in 2022 and the February 2023 acquisition of the Black Hills Harley-Davidson platform, consisting of five retail locations near Sturgis, South Dakota
 - Revenues of \$53.5 million, gross profit of \$16.8 million, gross margin of 31.3%
 - Segment income of \$2.7 million and adjusted EBITDA* of \$4.6 million

* Please refer to the discussion and reconciliation of Non-GAAP Financial Measures below.

Dividend

Sonic's Board of Directors approved a quarterly cash dividend of \$0.28 per share, payable on April 14, 2023 to all stockholders of record on March 15, 2023.

Fourth Quarter 2022 Earnings Conference Call

Senior management will hold a conference call today at 11:00 A.M. (Eastern). Investor presentation and earnings press release materials will be accessible beginning prior to the conference call on the Company's website at ir.sonicautomotive.com.

To access the live webcast of the conference call, please go to ir.sonicautomotive.com and select the webcast link at the top of the page. For telephone access to this conference call, please dial (877) 407-8289 (domestic) or +1 (201) 689-8341 (international) and ask to be connected to the Sonic Automotive Fourth Quarter 2022 Earnings Conference Call. Dial-in access remains available throughout the live call; however, to ensure you are connected for the full call we suggest dialing in at least 10 minutes before the start of the call. A webcast replay will be available following the call for 14 days at ir.sonicautomotive.com.

About Sonic Automotive

Sonic Automotive, Inc., a Fortune 500 company based in Charlotte, North Carolina, is on a quest to become the most valuable automotive retailer and service brand in America. Our Company culture thrives on creating, innovating, and providing industry-leading guest experiences, driven by strategic investments in technology, teammates, and ideas that ultimately fulfill ownership dreams, enrich lives, and deliver happiness to our guests and teammates. As one of the largest automotive retailers in America, we are committed to delivering on this goal while pursuing expansive growth and taking progressive measures to be the leader in this category. Our new platforms, programs, and people are set to drive the next generation of automotive experiences. More information about Sonic Automotive can be found at www.sonicautomotive.com and ir.sonicautomotive.com.

About EchoPark Automotive

EchoPark Automotive is one of the fastest growing and most comprehensive retailers of nearly new pre-owned vehicles in America today. Our rapid growth plan is expected to bring our unique business model to 90% of the U.S. population by 2025, utilizing one of the most innovative technology-enabled sales strategies in our industry. Our approach provides a personalized and proven guest-centric buying process that consistently delivers award-winning guest experiences and superior value to car buyers nationwide, with savings of up to \$3,000 versus the competition. Consumers have responded by putting EchoPark at number one among national pre-owned vehicle retailers in products, sales, and service based on Google Reviews between April 2021 through April 2022, while receiving the 2021 Consumer Satisfaction Award from DealerRater. EchoPark's nationwide growth will continue to leverage the unique and preferred Experience Centers in-market with a best-in-class shopping and online buying tool. EchoPark's mission is in the name: Every Car, Happy Owner. This drives the experience for guests and differentiates EchoPark from the competition. More information about EchoPark Automotive can be found at www.echopark.com.

Forward-Looking Statements

Included herein are forward-looking statements, including statements regarding EchoPark's anticipated future U.S. population coverage, anticipated future capital allocation and anticipated incremental growth 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, economic conditions in the markets in which we operate, supply chain disruptions and manufacturing delays, labor shortages, the impacts of inflation and increases in interest rates, new and used vehicle industry sales volume, future levels of consumer demand for new and used vehicles, anticipated future growth in each of our operating segments, the success of our operational strategies, the rate and timing of overall economic expansion or contraction, the integration of recent or future acquisitions, and the risk factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 and other reports and information filed with the United States 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 net income, adjusted earnings per diluted share, adjusted SG&A expenses as a percentage of gross profit, and adjusted EBITDA. As required by SEC rules, the Company has provided reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures in the schedules included in this press release. 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.

Company Contacts

Investor Inquiries:

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Sonic Automotive, Inc.
Results of Operations (Unaudited)

Results of Operations - Consolidated

	Three Months Ended December 31,		Better / (Worse) % Change	Twelve Months Ended December 31,		Better / (Worse) % Change
	2022	2021		2022	2021	
(In millions, except per share amounts)						
Revenues:						
Retail new vehicles	\$ 1,555.3	\$ 1,278.3	22 %	\$ 5,622.6	\$ 4,993.4	13 %
Fleet new vehicles	29.3	73.6	(60) %	99.4	124.6	(20) %
Total new vehicles	1,584.6	1,351.9	17 %	5,722.0	5,118.0	12 %
Used vehicles	1,341.1	1,210.9	11 %	5,515.4	4,933.6	12 %
Wholesale vehicles	80.0	110.5	(28) %	484.9	367.2	32 %
Total vehicles	3,005.7	2,673.3	12 %	11,722.3	10,418.8	13 %
Parts, service and collision repair	411.1	360.1	14 %	1,599.7	1,340.4	19 %
Finance, insurance and other, net	173.8	151.2	15 %	679.1	637.2	7 %
Total revenues	3,590.6	3,184.6	13 %	14,001.1	12,396.4	13 %
Cost of sales:						
Retail new vehicles	(1,390.7)	(1,120.9)	(24) %	(4,959.8)	(4,533.7)	(9) %
Fleet new vehicles	(27.5)	(73.0)	62 %	(94.5)	(123.0)	23 %
Total new vehicles	(1,418.2)	(1,193.9)	(19) %	(5,054.3)	(4,656.7)	(9) %
Used vehicles	(1,305.6)	(1,164.3)	(12) %	(5,334.6)	(4,800.6)	(11) %
Wholesale vehicles	(83.7)	(107.3)	22 %	(488.0)	(357.3)	(37) %
Total vehicles	(2,807.5)	(2,465.5)	(14) %	(10,876.9)	(9,814.6)	(11) %
Parts, service and collision repair	(207.0)	(188.5)	(10) %	(807.2)	(667.5)	(21) %
Total cost of sales	(3,014.5)	(2,654.0)	(14) %	(11,684.1)	(10,482.1)	(11) %
Gross profit	576.1	530.6	9 %	2,317.0	1,914.3	21 %
Selling, general and administrative expenses	(366.3)	(343.3)	(7) %	(1,555.1)	(1,274.7)	(22) %
Impairment charges	(320.4)	(0.1)	NM	(320.4)	(0.1)	NM
Depreciation and amortization	(33.5)	(27.4)	(22) %	(127.5)	(101.1)	(26) %
Operating income (loss)	(144.1)	159.8	(190) %	314.0	538.4	(42) %
Other income (expense):						
Interest expense, floor plan	(13.6)	(4.0)	(240) %	(34.3)	(16.7)	(105) %
Interest expense, other, net	(24.9)	(17.8)	(40) %	(89.9)	(48.0)	(87) %
Other income (expense), net	0.1	(15.9)	101 %	0.2	(15.5)	101 %
Total other income (expense)	(38.4)	(37.7)	(2) %	(124.0)	(80.2)	(55) %
Income (loss) before taxes	(182.5)	122.1	(249) %	190.0	458.2	(59) %
Provision for income taxes - benefit (expense)	(8.4)	(25.8)	67 %	(101.5)	(109.3)	7 %
Net income (loss)	<u>\$ (190.9)</u>	<u>\$ 96.3</u>	<u>(298) %</u>	<u>\$ 88.5</u>	<u>\$ 348.9</u>	<u>(75) %</u>
Basic earnings (loss) per common share	\$ (5.22)	\$ 2.35	(322) %	\$ 2.29	\$ 8.43	(73) %
Basic weighted-average common shares outstanding	36.5	40.9	11 %	38.7	41.4	7 %
Diluted earnings (loss) per common share	\$ (5.22)	\$ 2.25	(332) %	\$ 2.23	\$ 8.06	(72) %
Diluted weighted-average common shares outstanding ⁽¹⁾	36.5	42.8	15 %	39.7	43.3	8 %
Dividends declared per common share	\$ 0.28	\$ 0.12	133 %	\$ 1.03	\$ 0.46	124 %

(1) Basic weighted-average common shares outstanding used for the three months ended December 31, 2022 due to the net loss on a reported GAAP basis.

NM = Not Meaningful

Franchised Dealerships Segment - Reported

	Three Months Ended December 31,		Better / (Worse) % Change	Twelve Months Ended December 31,		Better / (Worse) % Change
	2022	2021		2022	2021	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 1,534.5	\$ 1,273.6	20 %	\$ 5,581.6	\$ 4,984.4	12 %
Fleet new vehicles	29.4	73.7	(60) %	99.4	124.6	(20) %
Total new vehicles	1,563.9	1,347.3	16 %	5,681.0	5,109.0	11 %
Used vehicles	823.4	727.7	13 %	3,391.5	2,901.0	17 %
Wholesale vehicles	52.6	74.0	(29) %	314.0	257.2	22 %
Total vehicles	2,439.9	2,149.0	14 %	9,386.5	8,267.2	14 %
Parts, service and collision repair	404.8	346.3	17 %	1,588.0	1,340.4	18 %
Finance, insurance and other, net	128.0	110.1	16 %	510.1	443.5	15 %
Total revenues	2,972.7	2,605.4	14 %	11,484.6	10,051.1	14 %
Gross Profit:						
Retail new vehicles	160.8	156.7	3 %	655.3	458.7	43 %
Fleet new vehicles	1.8	0.6	200 %	4.9	1.6	206 %
Total new vehicles	162.6	157.3	3 %	660.2	460.3	43 %
Used vehicles	38.4	50.8	(24) %	174.4	188.1	(7) %
Wholesale vehicles	(3.2)	0.4	(900) %	(6.3)	0.6	NM
Total vehicles	197.8	208.5	(5) %	828.3	649.0	28 %
Parts, service and collision repair	200.9	171.1	17 %	786.7	673.1	17 %
Finance, insurance and other, net	128.0	110.1	16 %	510.1	443.5	15 %
Total gross profit	526.7	489.7	8 %	2,125.1	1,765.6	20 %
Selling, general and administrative expenses	(298.1)	(282.8)	(5) %	(1,273.0)	(1,076.9)	(18) %
Impairment charges	(115.5)	—	NM	(115.5)	—	NM
Depreciation and amortization	(26.0)	(22.5)	(16) %	(101.8)	(84.8)	(20) %
Operating income (loss)	87.1	184.4	(53) %	634.8	603.9	5 %
Other income (expense):						
Interest expense, floor plan	(9.8)	(2.5)	(292) %	(23.6)	(11.8)	(100) %
Interest expense, other, net	(23.4)	(17.1)	(37) %	(85.0)	(46.3)	(84) %
Other income (expense), net	—	(15.6)	100 %	(0.1)	(15.5)	99 %
Total other income (expense)	(33.2)	(35.2)	6 %	(108.7)	(73.6)	(48) %
Income (loss) before taxes	53.9	149.2	(64) %	526.1	530.3	(1) %
Add: Impairment charges	115.5	—	NM	115.5	—	NM
Segment income (loss)	\$ 169.4	\$ 149.2	14 %	\$ 641.6	\$ 530.3	21 %
Unit Sales Volume:						
Retail new vehicles	26,239	23,475	12 %	99,424	99,815	— %
Fleet new vehicles	661	2,246	(71) %	2,115	3,543	(40) %
Total new vehicles	26,900	25,721	5 %	101,539	103,358	(2) %
Used vehicles	26,631	23,397	14 %	108,512	105,457	3 %
Wholesale vehicles	5,616	5,424	4 %	24,052	25,128	(4) %
Retail new & used vehicles	52,870	49,118	8 %	207,936	208,815	— %
Used:New Ratio	1.01	0.91	12 %	1.09	1.02	7 %
Gross Profit Per Unit:						
Retail new vehicles	\$ 6,130	\$ 6,673	(8) %	\$ 6,591	\$ 4,595	43 %
Fleet new vehicles	\$ 2,642	\$ 286	824 %	\$ 2,292	\$ 454	405 %
New vehicles	\$ 6,044	\$ 6,115	(1) %	\$ 6,502	\$ 4,453	46 %
Used vehicles	\$ 1,442	\$ 2,172	(34) %	\$ 1,607	\$ 1,784	(10) %
Finance, insurance and other, net	\$ 2,421	\$ 2,349	3 %	\$ 2,453	\$ 2,160	14 %

NM = Not Meaningful

Note: Reported Franchised Dealerships Segment results include (i) same store results from the "Franchised Dealerships Segment - Same Store" table below and (ii) the effects of acquisitions, open points, dispositions and holding company impacts for the periods reported. All currently operating franchised dealership stores are included within the same store group as of the first full month following the first anniversary of the store's opening or acquisition.

Franchised Dealerships Segment - Same Store

	Three Months Ended December 31,		Better / (Worse) % Change	Twelve Months Ended December 31,		Better / (Worse) % Change
	2022	2021		2022	2021	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 1,380.9	\$ 1,202.3	15 %	\$ 4,794.4	\$ 4,901.8	(2) %
Fleet new vehicles	27.2	11.8	131 %	85.1	62.7	36 %
Total new vehicles	1,408.1	1,214.1	16 %	4,879.5	4,964.5	(2) %
Used vehicles	744.7	695.6	7 %	2,955.6	2,860.8	3 %
Wholesale vehicles	59.9	66.5	(10) %	256.9	249.2	3 %
Total vehicles	2,212.7	1,976.2	12 %	8,092.0	8,074.5	— %
Parts, service and collision repair	378.2	337.3	12 %	1,458.6	1,327.8	10 %
Finance, insurance and other, net	114.4	103.1	11 %	429.0	435.3	(1) %
Total revenues	2,705.3	2,416.6	12 %	9,979.6	9,837.6	1 %
Gross Profit:						
Retail new vehicles	147.5	148.7	(1) %	561.3	449.2	25 %
Fleet new vehicles	1.2	0.6	100 %	3.6	1.6	125 %
Total new vehicles	148.7	149.3	— %	564.9	450.8	25 %
Used vehicles	33.2	47.0	(29) %	149.1	184.2	(19) %
Wholesale vehicles	(2.8)	2.2	(227) %	(5.1)	8.0	(164) %
Total vehicles	179.1	198.5	(10) %	708.9	643.0	10 %
Parts, service and collision repair	188.3	167.5	12 %	725.8	666.3	9 %
Finance, insurance and other, net	114.4	103.1	11 %	429.0	435.3	(1) %
Total gross profit	\$ 481.8	\$ 469.1	3 %	\$ 1,863.7	\$ 1,744.6	7 %
Unit Sales Volume:						
Retail new vehicles	23,416	22,238	5 %	84,663	98,311	(14) %
Fleet new vehicles	621	293	112 %	1,853	1,590	17 %
Total new vehicles	24,037	22,531	7 %	86,516	99,901	(13) %
Used vehicles	23,624	22,371	6 %	92,939	104,084	(11) %
Wholesale vehicles	5,275	5,049	4 %	19,533	24,683	(21) %
Retail new & used vehicles	47,040	44,609	5 %	177,602	202,395	(12) %
Used:New Ratio	1.01	1.01	— %	1.10	1.06	4 %
Gross Profit Per Unit:						
Retail new vehicles	\$ 6,301	\$ 6,686	(6) %	\$ 6,630	\$ 4,570	45 %
Fleet new vehicles	\$ 1,879	\$ 1,962	(4) %	\$ 1,938	\$ 969	100 %
New vehicles	\$ 6,187	\$ 6,625	(7) %	\$ 6,529	\$ 4,512	45 %
Used vehicles	\$ 1,405	\$ 2,099	(33) %	\$ 1,605	\$ 1,769	(9) %
Finance, insurance and other, net	\$ 2,431	\$ 2,349	3 %	\$ 2,415	\$ 2,151	12 %

Note: All currently operating franchised dealership stores are included within the same store group as of the first full month following the first anniversary of the store's opening or acquisition.

EchoPark Segment - Reported

	Three Months Ended December 31,		Better / (Worse) % Change	Twelve Months Ended December 31,		Better / (Worse) % Change
	2022	2021		2022	2021	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 2.0	\$ 4.6	(57) %	\$ 9.2	\$ 9.0	2 %
Used vehicles	515.5	497.0	4 %	2,116.8	2,032.6	4 %
Wholesale vehicles	27.3	36.5	(25) %	170.6	110.0	55 %
Total vehicles	544.8	538.1	1 %	2,296.6	2,151.6	7 %
Finance, insurance and other, net	44.5	41.1	8 %	166.4	193.7	(14) %
Total revenues	589.3	579.2	2 %	2,463.0	2,345.3	5 %
Gross Profit:						
Retail new vehicles	0.2	0.7	(71) %	1.1	1.1	— %
Used vehicles	(3.6)	(3.7)	3 %	4.4	(55.2)	108 %
Wholesale vehicles	(0.3)	2.8	(111) %	3.2	9.2	(65) %
Total vehicles	(3.7)	(0.2)	NM	8.7	(44.9)	119 %
Finance, insurance and other, net	44.5	41.1	8 %	166.4	193.7	(14) %
Total gross profit	40.8	40.9	— %	175.1	148.8	18 %
Selling, general and administrative expenses	(62.3)	(60.5)	(3) %	(269.8)	(197.8)	(36) %
Impairment charges	(204.9)	(0.1)	NM	(204.9)	(0.1)	NM
Depreciation and amortization	(7.0)	(4.8)	(46) %	(24.7)	(16.3)	(52) %
Operating income (loss)	(233.4)	(24.5)	(853) %	(324.3)	(65.4)	(396) %
Other income (expense):						
Interest expense, floor plan	(3.9)	(1.5)	(160) %	(10.7)	(4.9)	(118) %
Interest expense, other, net	(0.9)	(0.8)	(13) %	(3.9)	(1.7)	(129) %
Other income (expense), net	—	0.1	(100) %	0.1	(0.1)	200 %
Total other income (expense)	(4.8)	(2.2)	(118) %	(14.5)	(6.7)	(116) %
Income (loss) before taxes	(238.2)	(26.7)	(792) %	(338.8)	(72.1)	(370) %
Add: Impairment charges	204.9	0.1	NM	204.9	0.1	NM
Segment income (loss)	\$ (33.3)	\$ (26.6)	(25) %	\$ (133.9)	\$ (72.0)	(86) %
Unit Sales Volume:						
Retail new vehicles	26	59	(56) %	152	128	19 %
Used vehicles	17,435	15,649	11 %	64,107	77,835	(18) %
Wholesale vehicles	2,444	2,436	— %	11,236	11,667	(4) %
Gross Profit Per Unit:						
Total used vehicle and F&I	\$ 2,340	\$ 2,344	— %	\$ 2,657	\$ 1,774	50 %

NM = Not Meaningful

Note: Reported EchoPark Segment results include (i) same market results from the "EchoPark Segment - Same Market" table below and (ii) the effects of acquisitions, open points, dispositions and holding company impacts for the periods reported. All currently operating EchoPark stores in a local geographic market are included within the same market group as of the first full month following the first anniversary of the market's opening.

EchoPark Segment - Same Market

	Three Months Ended December 31,		Better / (Worse) % Change	Twelve Months Ended December 31,		Better / (Worse) % Change
	2022	2021		2022	2021	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 2.2	\$ 4.5	(51)%	\$ 12.5	\$ 8.9	40 %
Used vehicles	400.0	464.3	(14)%	1,623.2	1,993.9	(19) %
Wholesale vehicles	22.3	35.2	(37)%	149.3	108.7	37 %
Total vehicles	424.5	504.0	(16)%	1,785.0	2,111.5	(15) %
Finance, insurance and other, net	32.0	38.9	(18)%	123.0	190.8	(36) %
Total revenues	456.5	542.9	(16)%	1,908.0	2,302.3	(17) %
Gross Profit:						
Retail new vehicles	0.2	0.4	(50)%	1.1	0.8	38 %
Used vehicles	(5.5)	(5.6)	2 %	(14.3)	(56.8)	75 %
Wholesale vehicles	(0.2)	2.9	(107)%	3.7	9.4	(61) %
Total vehicles	(5.5)	(2.3)	(139)%	(9.5)	(46.6)	80 %
Finance, insurance and other, net	32.0	38.9	(18)%	123.0	190.8	(36) %
Total gross profit	\$ 26.5	\$ 36.6	(28)%	\$ 113.5	\$ 144.2	(21) %
Unit Sales Volume:						
Retail new vehicles	26	59	(56)%	152	128	19 %
Used vehicles	13,919	14,882	(6)%	51,336	76,838	(33) %
Wholesale vehicles	1,969	2,321	(15)%	9,466	11,546	(18) %

Gross Profit Per Unit:

Total used vehicle and F&I	\$ 1,895	\$ 2,239	(15)%	\$ 2,109	\$ 1,741	21 %
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Note: All currently operating EchoPark stores in a local geographic market are included within the same market group as of the first full month following the first anniversary of the market's opening.

Powersports Segment - Reported

	Three Months Ended December 31,		Better / (Worse) % Change	Twelve Months Ended December 31,		Better / (Worse) % Change
	2022	2021		2022	2021	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 18.8	\$ —	NM	\$ 31.8	\$ —	NM
Used vehicles	2.1	—	NM	7.1	—	NM
Wholesale vehicles	0.1	—	NM	0.3	—	NM
Total vehicles	21.0	—	NM	39.2	—	NM
Parts, service and collision repair	6.3	—	NM	11.7	—	NM
Finance, insurance and other, net	1.3	—	NM	2.6	—	NM
Total revenues	28.6	—	NM	53.5	—	NM
Gross Profit:						
Retail new vehicles	3.6	—	NM	6.4	—	NM
Used vehicles	0.7	—	NM	2.0	—	NM
Wholesale vehicles	—	—	NM	—	—	NM
Total vehicles	4.3	—	NM	8.4	—	NM
Parts, service and collision repair	3.1	—	NM	5.8	—	NM
Finance, insurance and other, net	1.3	—	NM	2.6	—	NM
Total gross profit	8.7	—	NM	16.8	—	NM
Selling, general and administrative expenses	(5.9)	—	NM	(12.3)	—	NM
Impairment charges	—	—	NM	—	—	NM
Depreciation and amortization	(0.6)	—	NM	(1.0)	—	NM
Operating income (loss)	2.2	—	NM	3.5	—	NM
Other income (expense):						
Interest expense, floor plan	—	—	NM	—	—	NM
Interest expense, other, net	(0.6)	—	NM	(1.0)	—	NM
Other income (expense), net	0.2	—	NM	0.2	—	NM
Total other income (expense)	(0.4)	—	NM	(0.8)	—	NM
Income (loss) before taxes	1.8	—	NM	2.7	—	NM
Add: impairment charges	—	—	NM	—	—	NM
Segment income (loss)	\$ 1.8	\$ —	NM	\$ 2.7	\$ —	NM
Unit Sales Volume:						
Retail new vehicles	1,013	—	NM	1,592	—	NM
Used vehicles	237	—	NM	590	—	NM
Wholesale vehicles	34	—	NM	35	—	NM
Retail new & used vehicles	1,250	—	NM	2,182	—	NM
Gross Profit Per Unit:						
Retail new vehicles	\$ 3,535	\$ —	NM	\$ 3,974	\$ —	NM
Used vehicles	\$ 2,860	\$ —	NM	\$ 3,349	\$ —	NM
Finance, insurance and other, net	\$ 1,026	\$ —	NM	\$ 1,205	\$ —	NM

NM = Not Meaningful

Non-GAAP Reconciliation - Consolidated -SG&A Expenses

	Three Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 240.8	\$ 226.0	\$ (14.8)	(7) %
Advertising	22.6	17.4	(5.2)	(30) %
Rent	12.7	12.1	(0.6)	(5) %
Other	90.2	87.8	(2.4)	(3) %
Total SG&A expenses	<u>\$ 366.3</u>	<u>\$ 343.3</u>	<u>\$ (23.0)</u>	<u>(7) %</u>
Items of interest:				
Long-term compensation charges	\$ —	\$ (6.5)		
Acquisition and disposition-related gain (loss)	9.1	(1.2)		
Total SG&A adjustments	<u>\$ 9.1</u>	<u>\$ (7.7)</u>		
Adjusted:				
Total adjusted SG&A expenses	<u>\$ 375.4</u>	<u>\$ 335.6</u>	<u>\$ (39.8)</u>	<u>(12) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	41.8 %	42.6 %	80 bps	
Advertising	3.9 %	3.3 %	(60) bps	
Rent	2.2 %	2.3 %	10 bps	
Other	15.7 %	16.5 %	80 bps	
Total SG&A expenses as a % of gross profit	<u>63.6 %</u>	<u>64.7 %</u>	<u>110 bps</u>	
Items of interest:				
Long-term compensation charges	— %	(1.2)%		
Acquisition and disposition-related gain (loss)	1.6 %	(0.2)%		
Total effect of adjustments	<u>1.6 %</u>	<u>(1.4)%</u>		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>65.2 %</u>	<u>63.3 %</u>	<u>(190) bps</u>	

Non-GAAP Reconciliation - Consolidated - SG&A Expenses (Continued)

	Twelve Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 1,014.8	\$ 834.5	\$ (180.3)	(22) %
Advertising	95.4	61.6	(33.8)	(55) %
Rent	51.0	53.2	2.2	4 %
Other	393.9	325.4	(68.5)	(21) %
Total SG&A expenses	<u>\$ 1,555.1</u>	<u>\$ 1,274.7</u>	<u>\$ (280.4)</u>	<u>(22) %</u>
Items of interest:				
Long-term compensation charges	\$ (4.4)	\$ (6.5)		
Acquisition and disposition-related gain (loss)	9.1	(1.2)		
Total SG&A adjustments	<u>\$ 4.7</u>	<u>\$ (7.7)</u>		
Adjusted:				
Total adjusted SG&A expenses	<u>\$ 1,559.8</u>	<u>\$ 1,267.0</u>	<u>\$ (292.8)</u>	<u>(23) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	43.8 %	43.6 %	(20) bps	
Advertising	4.1 %	3.2 %	(90) bps	
Rent	2.2 %	2.8 %	60 bps	
Other	17.0 %	17.0 %	— bps	
Total SG&A expenses as a % of gross profit	<u>67.1 %</u>	<u>66.6 %</u>	<u>(50) bps</u>	
Items of interest:				
Long-term compensation charges	(0.2)%	(0.3)%		
Acquisition and disposition-related gain (loss)	0.4 %	(0.1)%		
Total effect of adjustments	<u>0.2 %</u>	<u>(0.4)%</u>		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>67.3 %</u>	<u>66.2 %</u>	<u>(110) bps</u>	

Non-GAAP Reconciliation - Franchised Dealerships Segment -SG&A Expenses

	Three Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 200.8	\$ 189.8	\$ (11.0)	(6) %
Advertising	10.7	6.3	(4.4)	(70) %
Rent	10.5	10.4	(0.1)	(1) %
Other	76.1	76.3	0.2	— %
Total SG&A expenses	<u>\$ 298.1</u>	<u>\$ 282.8</u>	<u>\$ (15.3)</u>	<u>(5) %</u>
Items of interest:				
Acquisition and disposition-related gain (loss)	\$ 9.1	\$ (1.2)		
Total SG&A adjustments	<u>\$ 9.1</u>	<u>\$ (1.2)</u>		
Adjusted:				
Total adjusted SG&A expenses	<u>\$ 307.2</u>	<u>\$ 281.6</u>	<u>\$ (25.6)</u>	<u>(9) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	38.1 %	38.8 %	70 bps	
Advertising	2.0 %	1.3 %	(70) bps	
Rent	2.0 %	2.1 %	10 bps	
Other	14.5 %	15.5 %	100 bps	
Total SG&A expenses as a % of gross profit	<u>56.6 %</u>	<u>57.7 %</u>	<u>110 bps</u>	
Items of interest:				
Acquisition and disposition-related gain (loss)	1.7 %	(0.2)%		
Total effect of adjustments	<u>1.7 %</u>	<u>(0.2)%</u>		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>58.3 %</u>	<u>57.5 %</u>	<u>(80) bps</u>	

Non-GAAP Reconciliation - Franchised Dealerships Segment - SG&A Expenses (Continued)

	Twelve Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 858.0	\$ 719.6	\$ (138.4)	(19) %
Advertising	36.9	26.1	(10.8)	(41) %
Rent	42.4	46.6	4.2	9 %
Other	335.6	284.6	(51.0)	(18) %
Total SG&A expenses	<u>\$ 1,272.9</u>	<u>\$ 1,076.9</u>	<u>\$ (196.0)</u>	<u>(18) %</u>
Items of interest:				
Long-term compensation charges	\$ (4.4)	\$ —		
Acquisition and disposition-related gain (loss)	9.1	(1.2)		
Total SG&A adjustments	<u>\$ 4.7</u>	<u>\$ (1.2)</u>		
Adjusted:				
Total adjusted SG&A expenses	<u>\$ 1,277.6</u>	<u>\$ 1,075.7</u>	<u>\$ (201.9)</u>	<u>(19) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	40.4 %	40.8 %	40 bps	
Advertising	1.7 %	1.5 %	(20) bps	
Rent	2.0 %	2.6 %	60 bps	
Other	15.8 %	16.1 %	30 bps	
Total SG&A expenses as a % of gross profit	<u>59.9 %</u>	<u>61.0 %</u>	<u>110 bps</u>	
Items of interest:				
Long-term compensation charges	(0.2)%	— %		
Acquisition and disposition-related gain (loss)	0.4 %	(0.1)%		
Total effect of adjustments	<u>0.2 %</u>	<u>(0.1)%</u>		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>60.1 %</u>	<u>60.9 %</u>	<u>80 bps</u>	

Non-GAAP Reconciliation - EchoPark Segment -SG&A Expenses

	Three Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 35.8	\$ 36.2	\$ 0.4	1 %
Advertising	11.6	11.1	(0.5)	(5) %
Rent	2.2	1.7	(0.5)	(29) %
Other	12.7	11.5	(1.2)	(10) %
Total SG&A expenses	<u>\$ 62.3</u>	<u>\$ 60.5</u>	<u>\$ (1.8)</u>	<u>(3) %</u>
Items of interest:				
Long-term compensation charges	\$ —	\$ (6.5)		
Total SG&A adjustments	\$ —	\$ (6.5)		
Adjusted:				
Total adjusted SG&A expenses	<u>\$ 62.3</u>	<u>\$ 54.0</u>	<u>\$ (8.3)</u>	<u>(15) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	87.9 %	88.5 %	60 bps	
Advertising	28.4 %	27.1 %	(130) bps	
Rent	5.3 %	4.2 %	(110) bps	
Other	31.2 %	28.3 %	(290) bps	
Total SG&A expenses as a % of gross profit	<u>152.8 %</u>	<u>148.1 %</u>	<u>(470) bps</u>	
Items of interest:				
Long-term compensation charges	— %	(15.9)%		
Total effect of adjustments	— %	(15.9)%		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>152.8 %</u>	<u>132.2 %</u>	<u>(2,060) bps</u>	

Non-GAAP Reconciliation - EchoPark Segment -SG&A Expenses (Continued)

	Twelve Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 148.0	\$ 114.9	\$ (33.1)	(29) %
Advertising	58.0	35.5	(22.5)	(63) %
Rent	8.5	6.6	(1.9)	(29) %
Other	55.3	40.8	(14.5)	(36) %
Total SG&A expenses	\$ 269.8	\$ 197.8	\$ (72.0)	(36) %
Items of interest:				
Long-term compensation charges	\$ —	\$ (6.5)		
Total SG&A adjustments	\$ —	\$ (6.5)		
Adjusted:				
Total adjusted SG&A expenses	\$ 269.8	\$ 191.3	\$ (78.5)	(41) %
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	84.5 %	77.2 %	(730) bps	
Advertising	33.1 %	23.9 %	(920) bps	
Rent	4.9 %	4.4 %	(50) bps	
Other	31.6 %	27.4 %	(420) bps	
Total SG&A expenses as a % of gross profit	154.1 %	132.9 %	(2,120) bps	
Items of interest:				
Long-term compensation charges	— %	(4.3)%		
Total effect of adjustments	— %	(4.3)%		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	154.1 %	128.6 %	(2,550) bps	

Powersports Segment - SG&A Expenses

	Three Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 4.1	\$ —	NM	NM
Advertising	0.3	—	NM	NM
Rent	—	—	NM	NM
Other	1.5	—	NM	NM
Total SG&A expenses	<u>\$ 5.9</u>	<u>\$ —</u>	<u>NM</u>	<u>NM</u>

Reported:				
SG&A expenses as a % of gross profit:				
Compensation	47.9 %	— %	NM bps	
Advertising	3.9 %	— %	NM bps	
Rent	0.4 %	— %	NM bps	
Other	16.2 %	— %	NM bps	
Total SG&A expenses as a % of gross profit	<u>68.4 %</u>	<u>— %</u>	<u>NM bps</u>	

NM = Not Meaningful

	Twelve Months Ended December 31,		Better / (Worse)	
	2022	2021	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 8.9	\$ —	NM	NM
Advertising	0.6	—	NM	NM
Rent	—	—	NM	NM
Other	2.8	—	NM	NM
Total SG&A expenses	<u>\$ 12.3</u>	<u>\$ —</u>	<u>NM</u>	<u>NM</u>

Reported:				
SG&A expenses as a % of gross profit:				
Compensation	52.9 %	— %	NM bps	
Advertising	3.4 %	— %	NM bps	
Rent	0.2 %	— %	NM bps	
Other	16.9 %	— %	NM bps	
Total SG&A expenses as a % of gross profit	<u>73.4 %</u>	<u>— %</u>	<u>NM bps</u>	

NM = Not Meaningful

Non-GAAP Reconciliation - Franchised Dealerships Segment - Income (Loss) Before Taxes and Segment Income (Loss)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2022	2021	% Change	2022	2021	% Change
(In millions)						
Reported:						
Income (loss) before taxes	\$ 53.9	\$ 149.2	(64) %	\$ 526.1	\$ 530.3	(1) %
Add: impairment charges	115.5	—		115.5	—	
Segment income (loss)	\$ 169.4	\$ 149.2	14 %	\$ 641.6	\$ 530.3	21 %
Pre-tax items of interest:						
Acquisition and disposition-related (gain) loss	\$ (9.1)	\$ 1.2		\$ (9.1)	\$ 1.2	
Long-term compensation charges	—	—		4.4	—	
Loss on debt extinguishment	—	15.6		—	15.6	
Total pre-tax items of interest	\$ (9.1)	\$ 16.8		\$ (4.7)	\$ 16.8	
Adjusted:						
Segment income (loss)	\$ 160.3	\$ 166.0	(3) %	\$ 636.9	\$ 547.1	16 %

Non-GAAP Reconciliation - EchoPark Segment - Income (Loss) Before Taxes and Segment Income (Loss)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2022	2021	% Change	2022	2021	% Change
(In millions)						
Reported:						
Income (loss) before taxes	\$ (238.2)	\$ (26.7)	792 %	\$ (338.8)	\$ (72.1)	370 %
Add: impairment charges	204.9	0.1		204.9	0.1	
Segment income (loss)	\$ (33.3)	\$ (26.6)	25 %	\$ (133.9)	\$ (72.0)	86 %
Pre-tax items of interest:						
Long-term compensation charges	—	6.5		—	6.5	
Total pre-tax items of interest	\$ —	\$ 6.5		\$ —	\$ 6.5	
Adjusted:						
Segment income (loss)	\$ (33.3)	\$ (20.1)	66 %	\$ (133.9)	\$ (65.5)	104 %

Non-GAAP Reconciliation - Powersports Segment - Income (Loss) Before Taxes and Segment Income (Loss)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2022	2021	% Change	2022	2021	% Change
(In millions)						
Reported:						
Income (loss) before taxes	\$ 1.8	\$ —	NM	\$ 2.7	\$ —	NM
Add: impairment charges	—	—		—	—	
Segment income (loss)	1.8	—	NM	2.7	—	NM

NM = Not Meaningful

Non-GAAP Reconciliation - Consolidated - Net Income (Loss) and Diluted Earnings (Loss) Per Share

	Three Months Ended December 31, 2022			Three Months Ended December 31, 2021		
	Weighted-Average Shares	Net Income (Loss)	Per Share Amount	Weighted-Average Shares	Net Income (Loss)	Per Share Amount
(In millions, except per share amounts)						
Reported net income (loss), diluted shares ⁽¹⁾ , and diluted earnings (loss) per share	36.5	\$ (190.9)	\$ (5.22)	42.8	\$ 96.3	\$ 2.25
Pre-tax items of interest:						
Acquisition and disposition-related (gain) loss		\$ (9.1)			\$ 1.2	
Long-term compensation charges		—			6.5	
Loss on debt extinguishment		—			15.6	
Impairment charges		320.4			—	
Total pre-tax items of interest		\$ 311.3			\$ 23.3	
Tax effect of above items		(22.6)			(5.9)	
Adjusted net income (loss), diluted shares, and diluted earnings (loss) per share	36.5	\$ 97.8	\$ 2.61	42.8	\$ 113.7	\$ 2.66

(1) Basic weighted-average common shares outstanding used for the three months ended December 31, 2022 due to the net loss on a reported GAAP basis.

	Twelve Months Ended December 31, 2022			Twelve Months Ended December 31, 2021		
	Weighted-Average Shares	Net Income (Loss)	Per Share Amount	Weighted-Average Shares	Net Income (Loss)	Per Share Amount
(In millions, except per share amounts)						
Reported net income (loss), diluted shares, and diluted earnings (loss) per share	39.7	\$ 88.5	\$ 2.23	43.3	\$ 348.9	\$ 8.06
Pre-tax items of interest:						
Acquisition and disposition-related (gain) loss		\$ (9.1)			\$ 1.2	
Long-term compensation charges		4.4			6.5	
Loss on debt extinguishment		—			15.6	
Impairment charges		320.4			—	
Total pre-tax items of interest		\$ 315.7			\$ 23.3	
Tax effect of above items		(22.6)			(5.9)	
Adjusted net income (loss), diluted shares, and diluted earnings (loss) per share	39.7	\$ 381.6	\$ 9.61	43.3	\$ 366.3	\$ 8.46

Non-GAAP Reconciliation - Adjusted EBITDA

	Three Months Ended December 31, 2022				Three Months Ended December 31, 2021			
	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total
	(In millions)							
Net income (loss)	\$ (190.9)				\$ 96.3			
Income tax (benefit) expense	8.4				25.8			
Income (loss) before taxes	\$ 53.9	\$ (238.2)	\$ 1.8	\$ (182.5)	\$ 148.9	\$ (26.8)	\$ —	\$ 122.1
Non-floor plan interest (1)	22.0	0.9	0.6	23.5	16.2	0.7	—	16.9
Depreciation and amortization (2)	27.4	7.0	0.5	34.9	23.4	4.9	—	28.3
Stock-based compensation expense	3.6	—	—	3.6	3.8	—	—	3.8
Asset impairment charges	115.5	204.9	—	320.4	—	0.1	—	0.1
Loss (gain) on debt extinguishment	—	—	—	—	15.6	—	—	15.6
Long-term compensation charges	—	—	—	—	—	6.5	—	6.5
Acquisition and disposition-related (gain) loss	(9.2)	—	—	(9.2)	0.5	—	—	0.5
Adjusted EBITDA	\$ 213.2	\$ (25.4)	\$ 2.9	\$ 190.7	\$ 208.4	\$ (14.6)	\$ —	\$ 193.8

	Twelve Months Ended December 31, 2022				Twelve Months Ended December 31, 2021			
	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total
	(In millions)							
Net income (loss)	\$ 88.5				\$ 348.9			
Income tax (benefit) expense	101.5				109.3			
Income (loss) before taxes	\$ 526.1	\$ (338.8)	\$ 2.7	\$ 190.0	\$ 530.3	\$ (72.1)	\$ —	\$ 458.2
Non-floor plan interest (1)	80.0	3.7	1.0	84.7	43.0	1.7	—	44.7
Depreciation and amortization (2)	107.0	24.8	0.9	132.7	87.9	16.4	—	104.3
Stock-based compensation expense	16.0	—	—	16.0	15.0	—	—	15.0
Asset impairment charges	115.5	204.9	—	320.4	—	0.1	—	0.1
Loss (gain) on debt extinguishment	—	—	—	—	15.6	—	—	15.6
Long-term compensation charges	4.4	—	—	4.4	—	8.0	—	8.0
Acquisition and disposition-related (gain) loss	(9.7)	—	—	(9.7)	—	(0.4)	—	(0.4)
Adjusted EBITDA	\$ 839.3	\$ (105.4)	\$ 4.6	\$ 738.5	\$ 691.8	\$ (46.3)	\$ —	\$ 645.5

- (1) Includes interest expense, other, net in the accompanying consolidated statements of operations, net of any amortization of debt issuance costs or net debt discount/premium included in (2) below.
- (2) Includes the following line items from the accompanying consolidated statements of cash flows: depreciation and amortization of property and equipment; debt issuance cost amortization; and debt discount amortization, net of premium amortization.

Sonic Automotive – Investor Presentation February 2023



Updated February 15, 2023

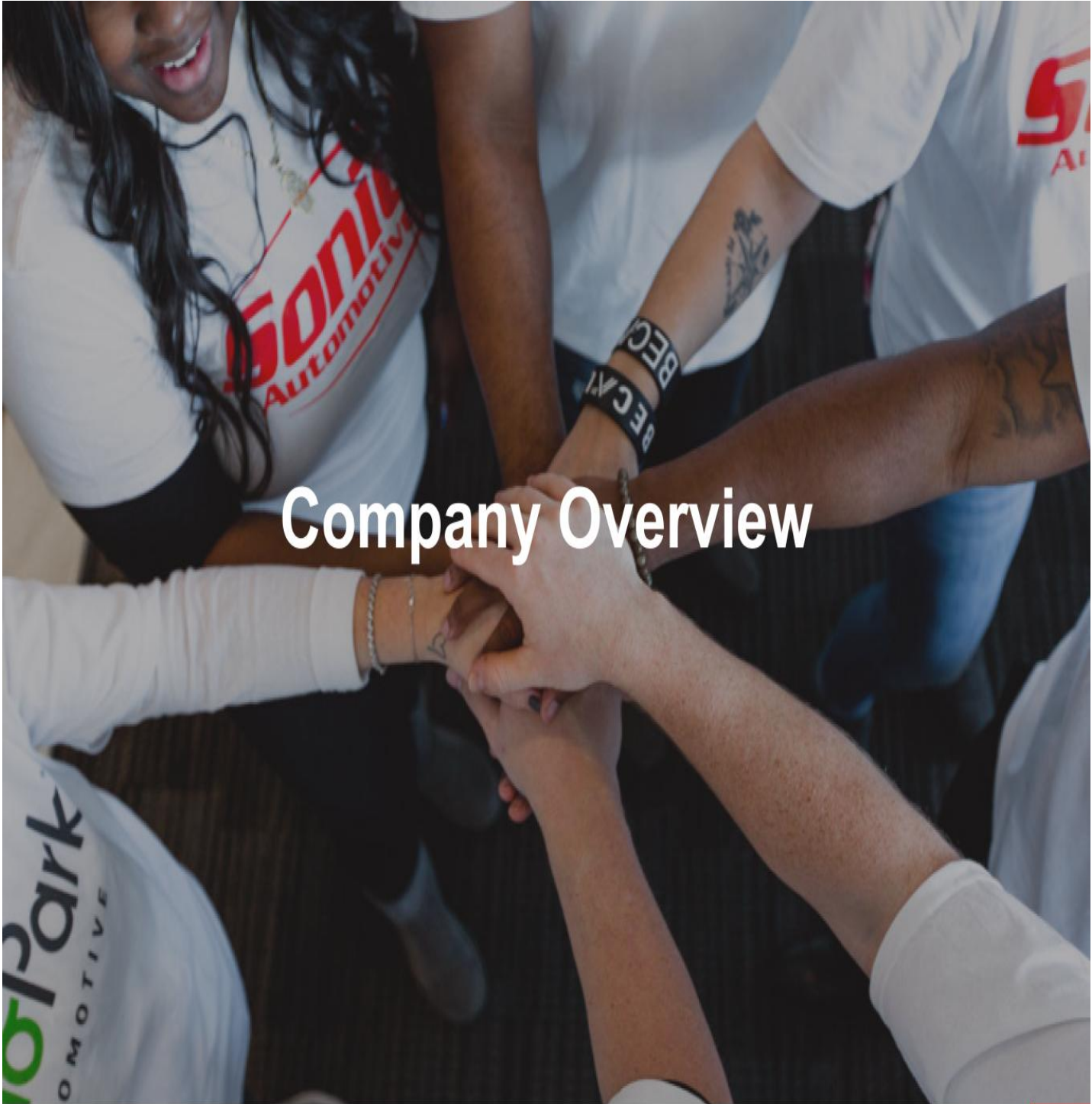
→ Forward-Looking Statements

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 “may,” “will,” “should,” “could,” “believe,” “expect,” “estimate,” “anticipate,” “intend,” “plan,” “project,” “foresee” and other similar words or phrases. 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, our anticipated future new vehicle unit sales volume, revenues and profitability, our anticipated future used vehicle unit sales volume, revenues and profitability, future levels of consumer demand for new and used vehicles, our anticipated future parts, service and collision repair (“Fixed Operations”) gross profit, our anticipated expense reductions, long-term annual revenue and profitability targets, anticipated future growth capital expenditures, profitability and pricing expectations in our EchoPark Segment, EchoPark’s omnichannel strategy, anticipated future EchoPark population coverage, anticipated future EchoPark revenue and unit sales volume, anticipated future performance and growth of our Franchised Dealerships Segment, anticipated growth of our Powersports Segment, anticipated liquidity positions, anticipated industry new vehicle sales volume, the implementation of growth and operating strategies, including acquisitions of dealerships and properties, anticipated future acquisition synergies, 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, supply chain disruptions and manufacturing delays, labor shortages, the impacts of inflation and increases in interest rates, new and used vehicle industry sales volume, the success of our operational strategies, the rate and timing of overall economic expansion or contraction, and the risk factors described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021 and other reports and information filed with the United States Securities and Exchange Commission (the “SEC”).

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 SEC.

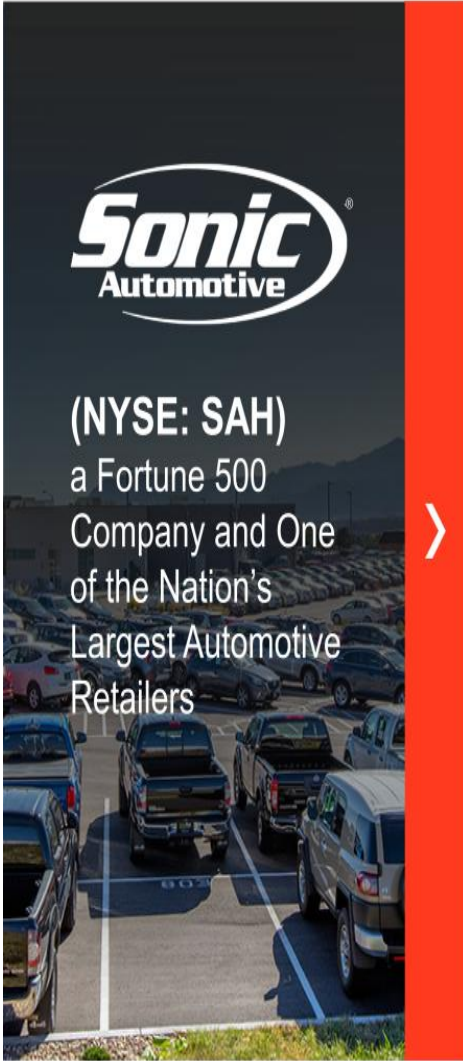




Company Overview



→ Sonic Automotive: Who We Are



(NYSE: SAH)
a Fortune 500
Company and One
of the Nation's
Largest Automotive
Retailers



Our Core Franchised Dealerships Segment Is A **Full-Service** Automotive Retail Business With **Strategic Growth Levers** Across Multiple Business Lines And A **Diversified Brand Portfolio**



Our **High Growth Potential** EchoPark Segment Offers A Unique Approach To Pre-Owned Vehicle And F&I Sales

Below-Market Pricing With A No Haggle Purchase Experience Drives **Industry-Leading** Used Vehicle Volume Throughput



Early-Stage Consolidation
Growth Opportunity At Attractive Multiples

QUICK FACTS

175
Locations

25
States

25+
Automotive Brands

17
Collision Centers

\$14.0 Billion
Total Revenues

\$2.3 Billion
Gross Profit

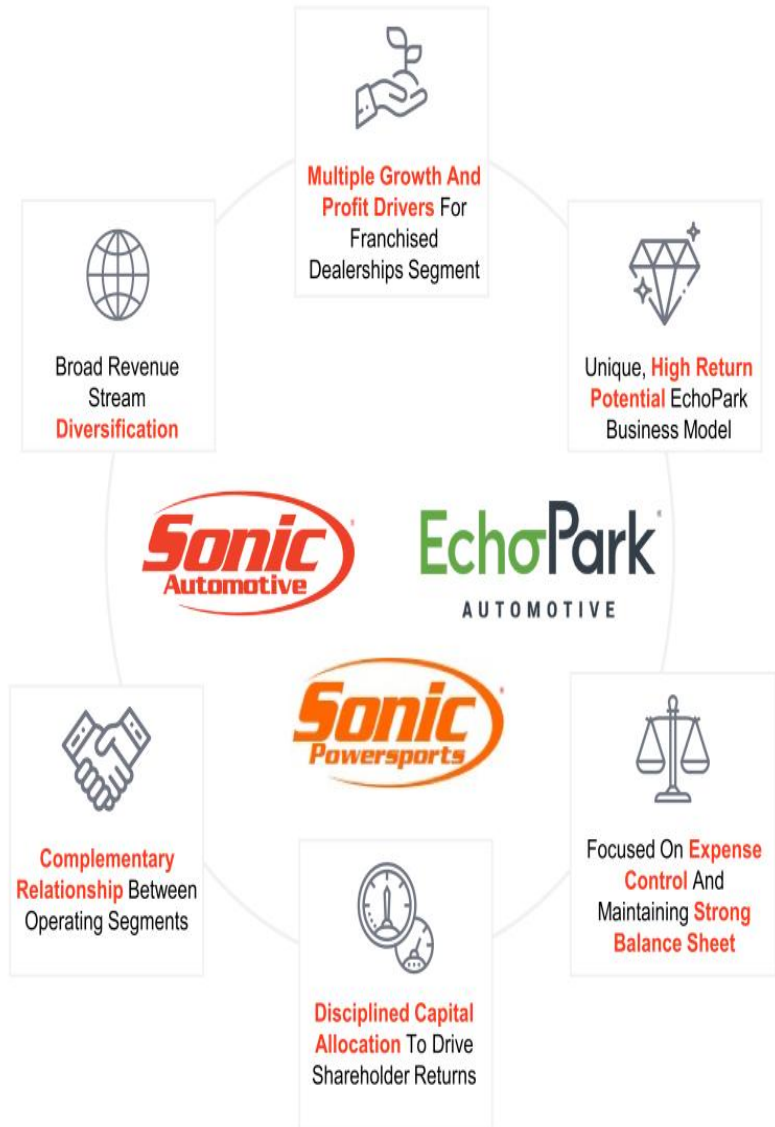
103K
New Vehicles Sold

173K
Used Vehicles Sold

Note: Location Counts As Of February 15, 2023. Revenues, Gross Profit, New & Used Vehicles Sold are for FY 2022



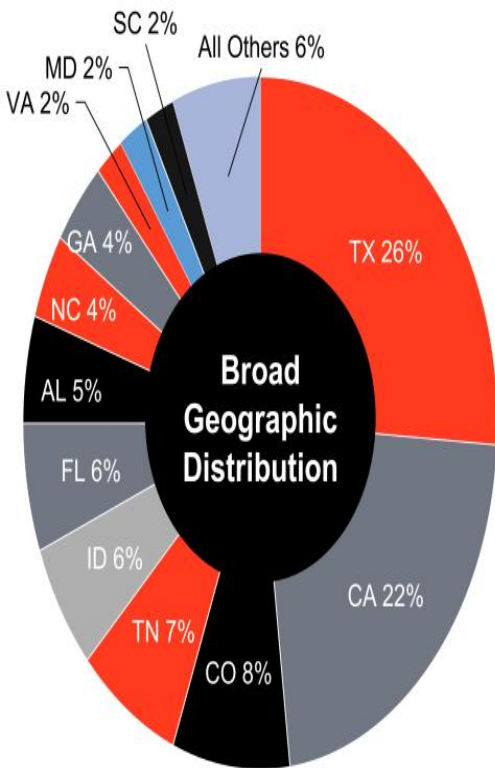
→ Investment Highlights



→ Revenue Composition

BY GEOGRAPHY

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



Note: Percentages are Percent of Total Revenue for Year Ended December 31, 2022



→ Revenue Composition – Diversified Revenue Streams

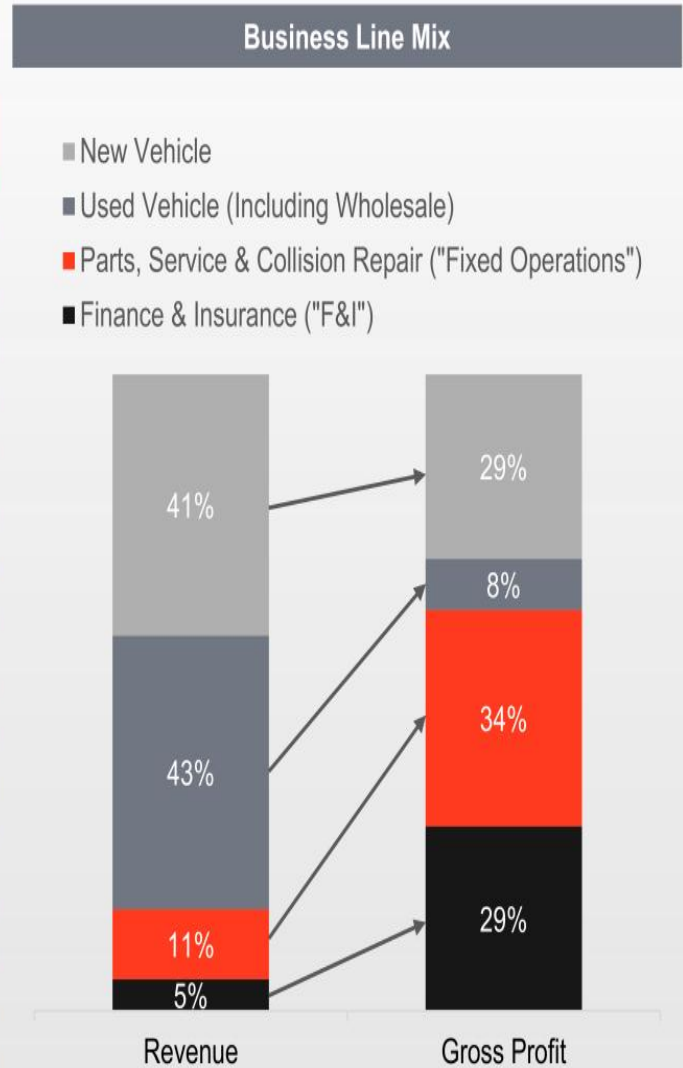
Brand Distribution			
Brand	% of Revenue	Franchise Brand	% of Revenue
Luxury	52%	BMW	21%
		Mercedes	10%
		Audi	5%
		Lexus	4%
		Porsche	3%
		Land Rover	3%
		Cadillac	2%
		Other Luxury (1)	4%
Import	18%	Honda	8%
		Toyota	7%
		Other Import (2)	3%
EchoPark	17%	Non-Franchise	17%
Domestic	13%	Chevrolet GMC Buick	5%
		Ford	4%
		Chrysler Dodge Jeep RAM	4%
Powersports	<1%	Powersports (3)	<1%

(1) Includes Alfa Romeo, Infiniti, Jaguar, Maserati, MINI and Volvo

(2) Includes Hyundai, Nissan, Mazda, Subaru and Volkswagen

(3) Includes Harley-Davidson, Kawasaki, BRP, Polaris, Honda, Suzuki, BMW Motorrad, Yamaha, Ducati, and Indian Motorcycle

Note: Percentages are Percent of Total Revenue for the Year Ended December 31, 2022



Majority Of Gross Profit Driven By Stable Business Lines

Note: Percentages are Percent of Total for the Year Ended December 31, 2022



→ EchoPark Automotive – A Unique Growth Story



The New Car Alternative™
Price. Quality. Experience.

Focus On
Pre-Owned
Market – 2.5x Larger &
More Stable Than New
Vehicle Market

Priced Up To
**\$3,000 Below
Market**
With Simplified, Easy
Purchase Experience

Unique, High Return Potential
Business Model

Focus On High Quality
Pre-Owned Vehicles,
**In-Store or
Online**

Expect To Reach
**90% Of U.S.
Population**
By 2025

Growing Nationwide Distribution Network

Note: Expected U.S. population reach is a projection, actual results may differ. See "Forward-Looking Statements."



→ Strategic Focus

Franchised Dealerships	Strategic Focus	EchoPark
<ul style="list-style-type: none">Continued Growth Opportunity In Parts & Service, F&I Per UnitOngoing Profitability Enhancement Through SG&A Expense Control, Inventory ManagementPursue Strategic Acquisition Opportunities As Market EvolvesUtilize Existing Infrastructure To Support Omnichannel Distribution Network	<ul style="list-style-type: none">Focus On Guest Experience And eCommerce Opportunity To Drive Market Share GainsBalanced Capital Allocation Strategy Prioritizes Highest Return on InvestmentReturn Of Capital To Shareholders Via Share Repurchase Program And DividendFurther Diversify Business Model In Adjacent Sectors (Powersports)	<ul style="list-style-type: none">Early-Stage Strong Secular Growth PhaseAchieved >50% U.S. Population Coverage To Date, Expect 90% Coverage By 2025Growing eCommerce Presence Offers Scalable Incremental ReachAddressable Market Opportunity Of 2 Million Vehicles Annually At Maturity

Note: Profitability, unit sales volume and population coverage projections are estimates of future results. Actual results may differ. See "Forward-Looking Statements."



→ Strong Balance Sheet And Liquidity

	December 31, 2022		December 31, 2021	
	(In Millions)			
Cash and cash equivalents	\$	229.2	\$	299.4
Availability under the 2021 Revolving Credit Facility		303.3		281.4
Availability under the 2019 Mortgage Facility ⁽¹⁾		-		22.2
Floor plan deposit balance		272.0		99.8
Total available liquidity resources	\$	804.5	\$	702.8

Finalized Amendment To 2019 Mortgage Facility In Q4 2022, Resulting In \$215 Million In Incremental Liquidity At December 31, 2022

	Covenant Requirement*	December 31, 2022	December 31, 2021
Liquidity ratio	≥ 1.05	1.38	1.26
Fixed charge coverage ratio	≥ 1.20	1.87	2.69
Total lease adjusted leverage ratio	≤ 5.75	2.31	2.46
Net debt to Adjusted EBITDA ratio ⁽²⁾		1.69	1.80

Leverage Ratios Remain Within Our Internal Target Range

(1) \$173 Million Of Additional Availability Expected To Be Added In Q1 2023 Once Additional Real Estate Evaluations Have Been Completed.

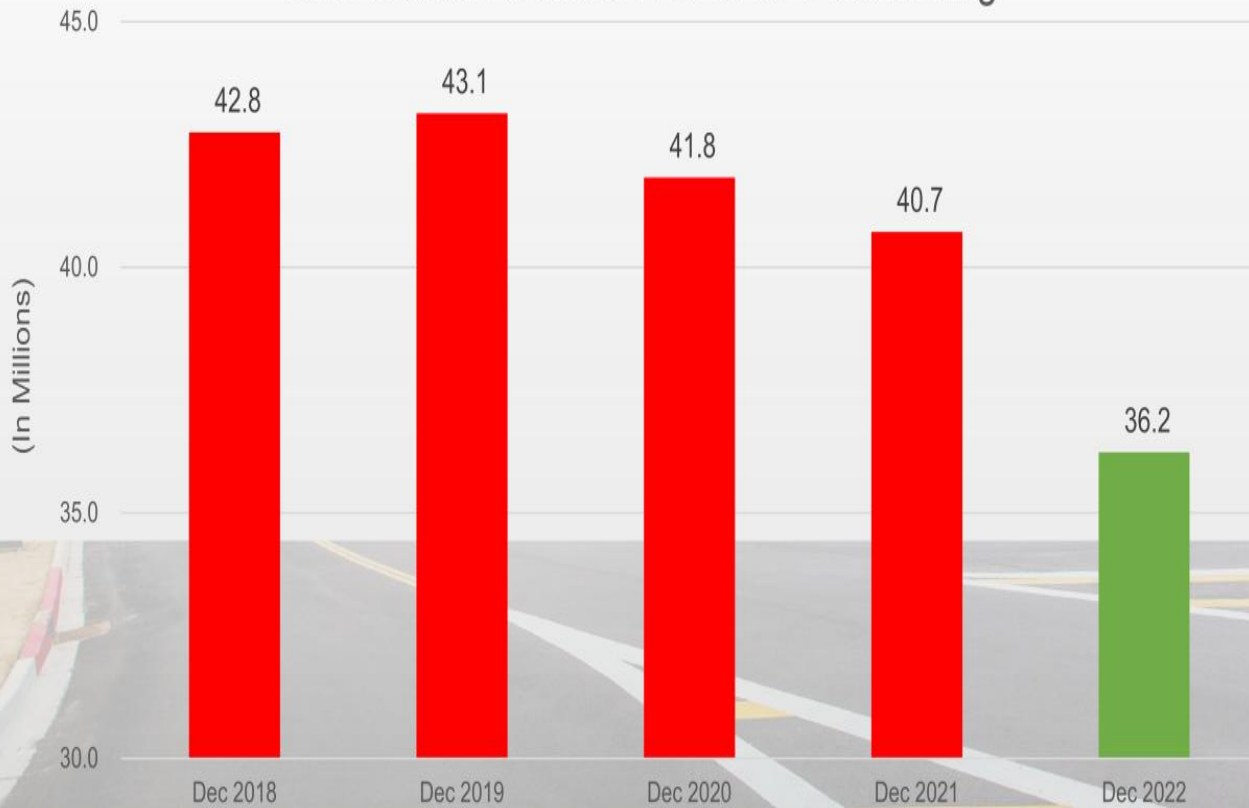
(2) Refer To Appendix For Calculation And Reconciliation Of Adjusted EBITDA (A Non-GAAP Measure) and Net Debt To Adjusted EBITDA Ratio (A Non-GAAP Measure)

* As Defined In The 2021 Revolving Credit Facility and 2019 Mortgage Facility



→ Impact Of Share Repurchases

Total Class A & Class B Shares Outstanding



Repurchased 5.6 Million Shares In 2022,
Or 14% Of Total Shares Outstanding As Of December 31, 2021

\$454.8 Million Remaining Repurchase Authorization

Note: Remaining Repurchase Authorization Is As Of February 15, 2023





Franchised Dealerships



→ Franchised Dealerships

Stable Business With Organic And Acquisition Growth Opportunities



111 Franchised Dealerships



25+ Brands, Luxury Weighted

Diversified Revenue Streams

- New & Used Vehicle Sales
- Parts & Service (P&S)
- Finance & Insurance (F&I)



17 Collision Repair Centers



18 States

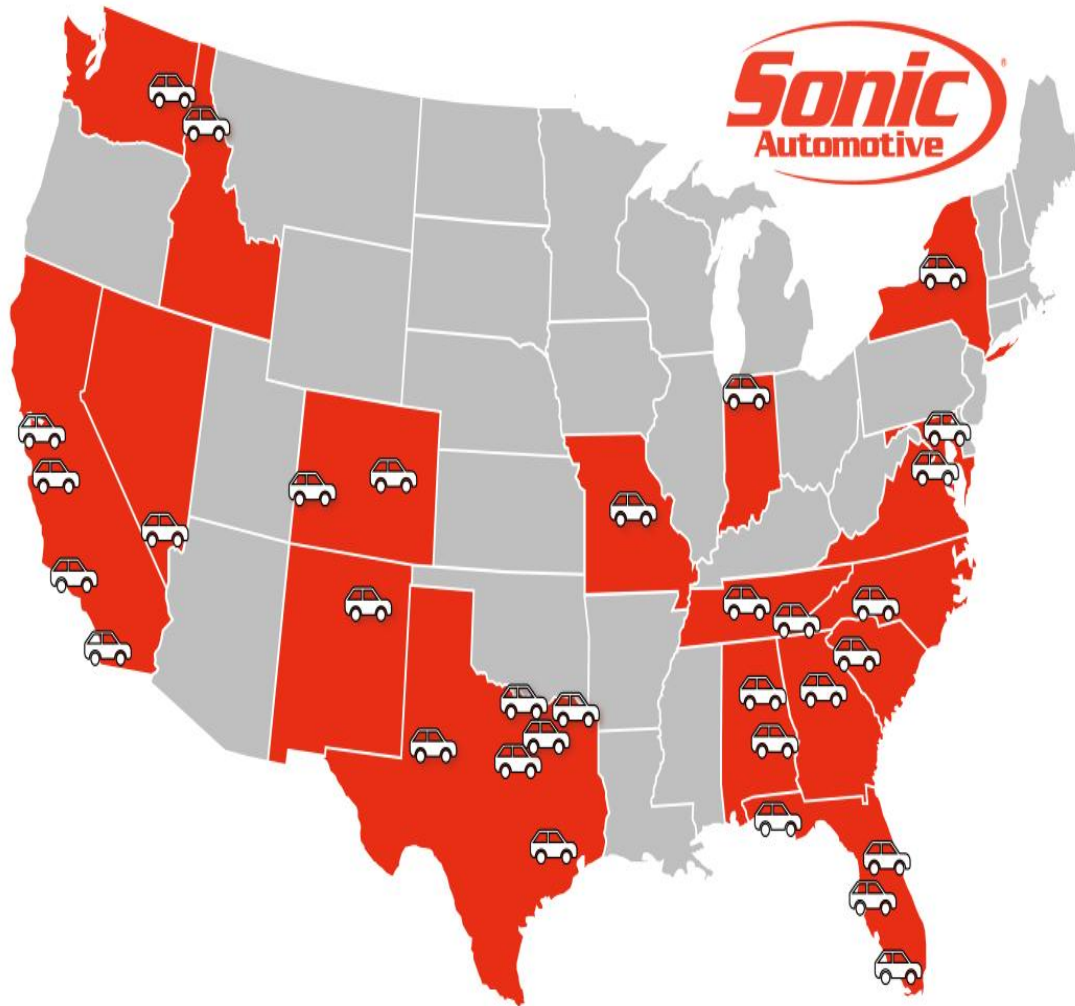
Resilient And Flexible Business Model Through Economic Cycles



Sonic
Automotive



→ Franchised Dealerships – Geographic Footprint



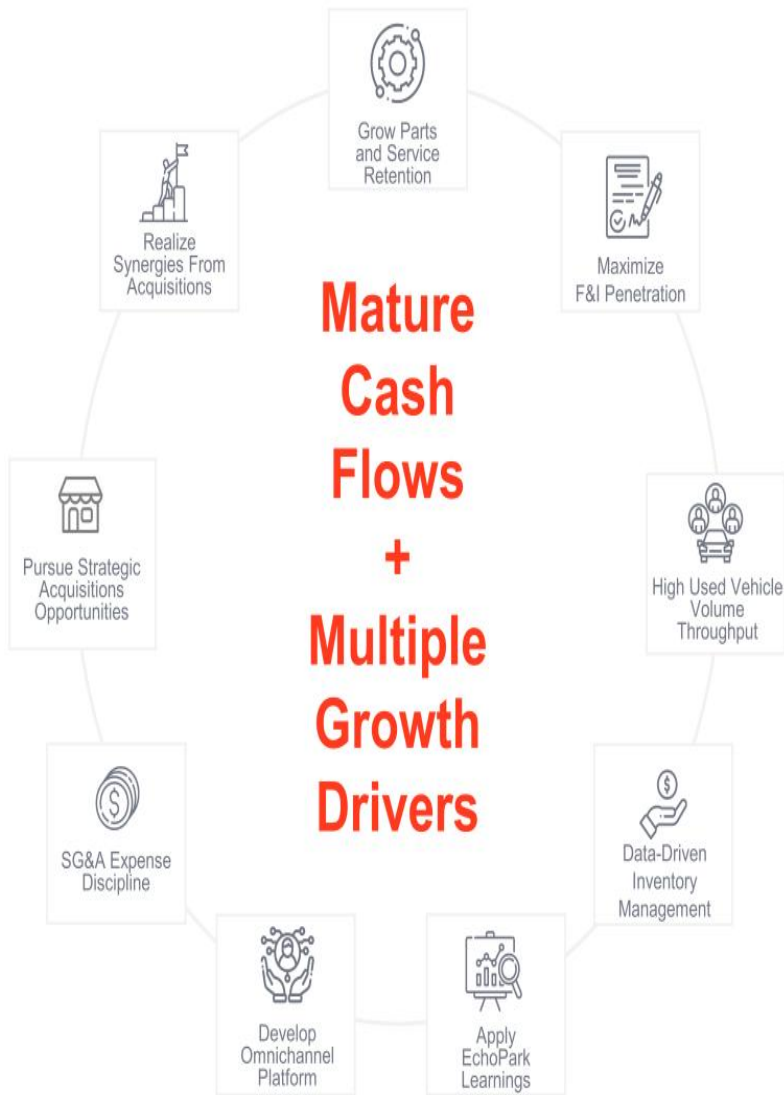
111 Stores, 25+ Brands,
17 Collision Repair Centers

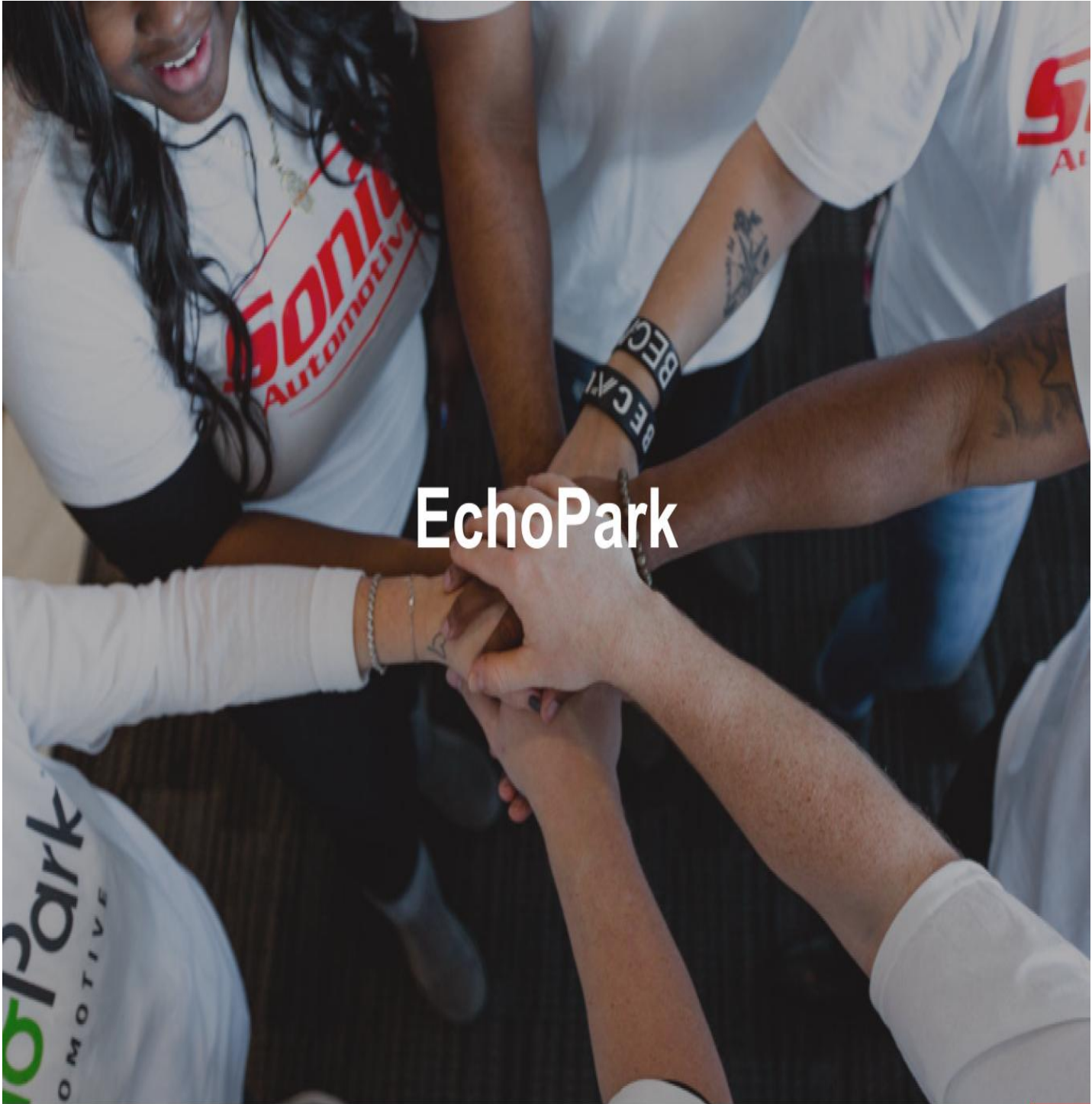


Diversified Geographic
Market Platform



→ Franchised Dealerships – Strategic Growth Levers





EchoPark



→ EchoPark – Brand Promise



Price. Quality. Experience.



Up To **40%** Below
New Vehicle Price



Up To **\$3,000** Below
Used Vehicle Market
Price



High Quality
Pre-Owned Vehicles With
Available Warranty



Transparent
Guest-Centric
Experience



New Car Feel
Without The New
Car Price



Free CARFAX
Report With
Every Vehicle



Buy & Sell
Your Way –
On-Site Or Online



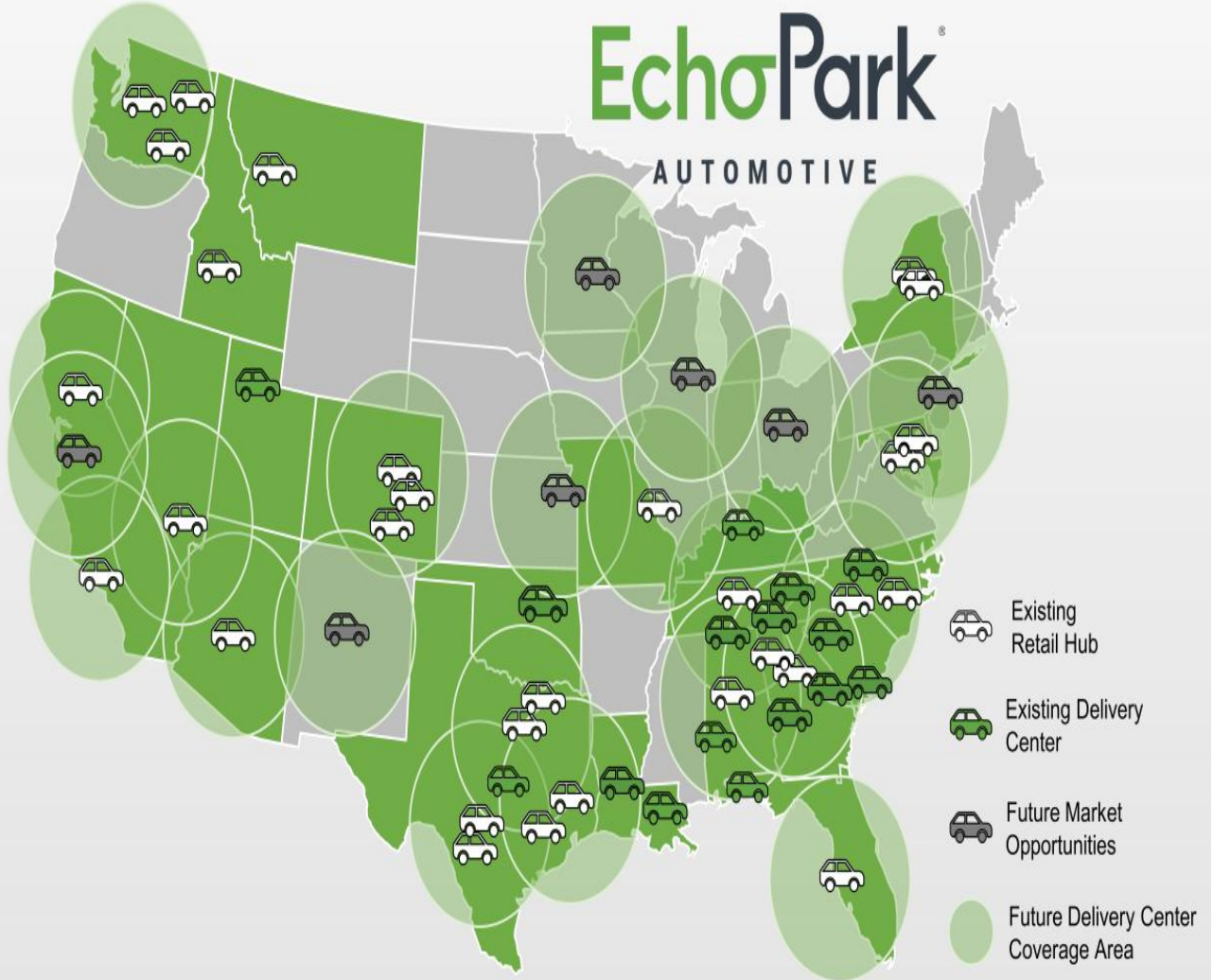
Complete Purchase
In Under An Hour

Low Cost Omnichannel Model



→ EchoPark – Developing Nationwide Distribution Network

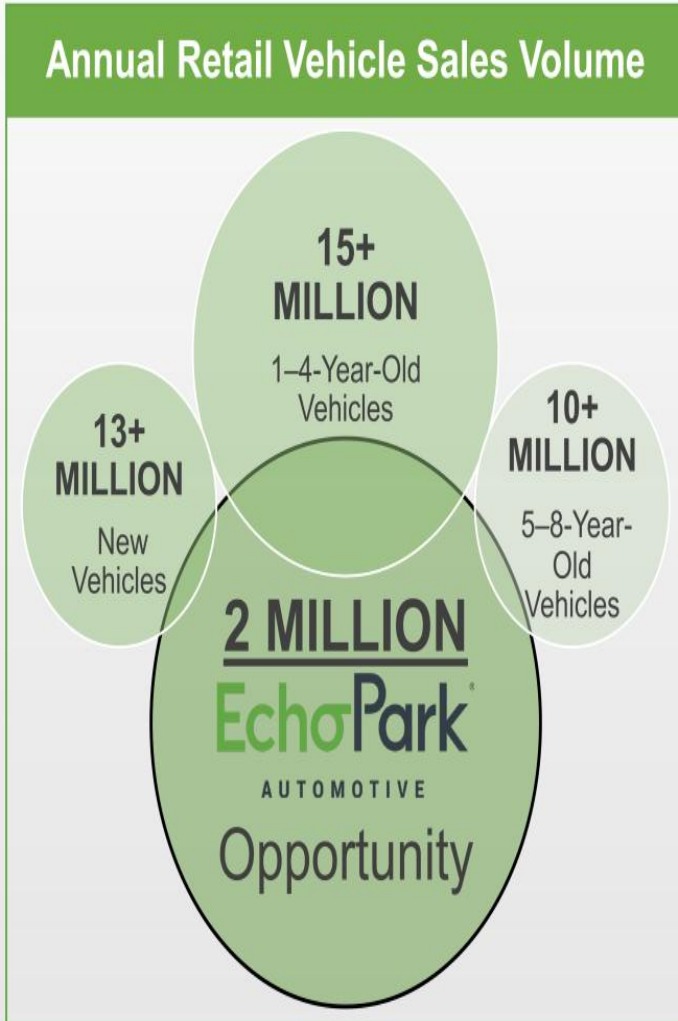
Achieved >50% Population Coverage To Date
Target 90% Population Coverage By 2025



Note: Future locations and U.S. population coverage are based on projections. Actual results may differ. See "Forward-Looking Statements."



→ EchoPark – Addressable Market Opportunity



EchoPark®

AUTOMOTIVE

Target
90% Population Coverage

By 2025 With Growing Nationwide Distribution Network

Target
10% Market Share

Already Achieving This Share* In Most Mature Market

Pricing Up To
40% Below New

Converts Prospective New Car Buyers

Pricing Up to
\$3,000 Below Market Price
Competes On Price vs. Older Vehicles, Consumer Can Buy Newer Vehicle For Same Price

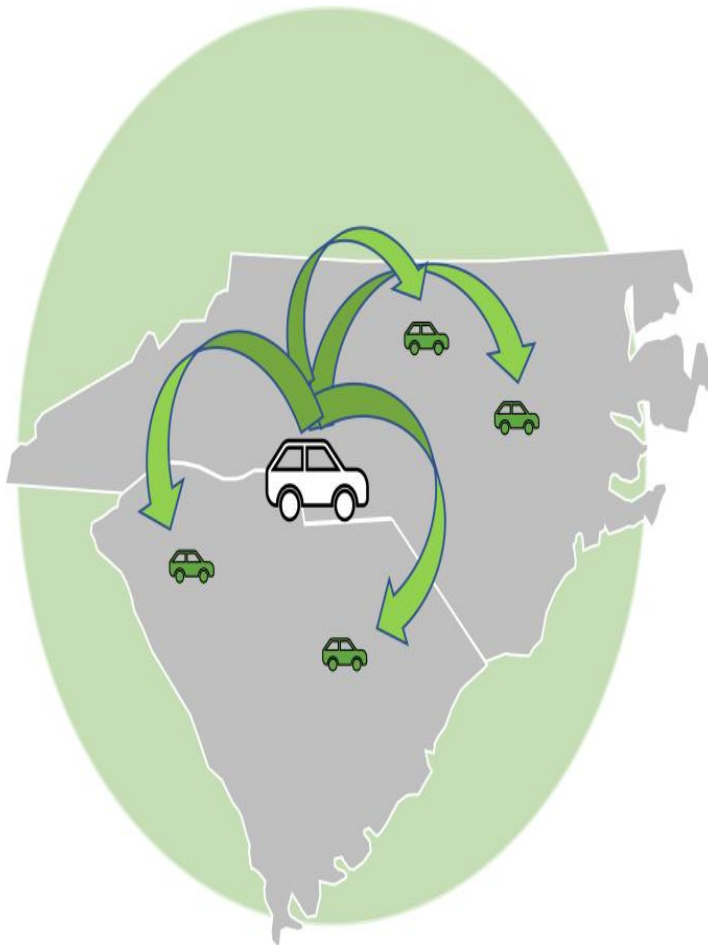
* Share Of Vehicles That Fit Core 1-4-Year-Old Model In Existing EchoPark Markets

Long-Term Strategy Remains Focused On Nearly-New, 1-4-Year Old Vehicle Segment Despite Recent Strategic Adjustments To Include 5+ Year Old Inventory

Note: Annual Retail Vehicle Sales Volume, EchoPark Volume Opportunity, Population Coverage And Market Share Targets Are Based On Projections. Actual Results May Differ. See "Forward-Looking Statements."



→ EchoPark – Delivery Center Model



Existing Retail Hub



Example Delivery Center Market Coverage Opportunity

Delivery Center Model

- Utilize Nearby Retail Hub For Inventory Storage And Reconditioning (Asset Light Expansion)
- Advertise Inventory Online In Surrounding Markets
- Drive Incremental eCommerce Sales In New Markets
- Inspect & Buy Vehicles From Guests After Online Appraisal And Firm Purchase Offer
- Arrange Vehicle Transport To Delivery Center
- Guest Picks Up Vehicle At EchoPark Delivery Center Nearest Their Home (i.e. Next-To-Last-Mile Delivery)

Strategic Advantages

- Accelerates Entry Into New Markets With Minimal Capital Expenditures Or Overhead Costs
- Same Guest-Centric Purchase Experience And Convenience
- Blend Of Brick And Mortar And eCommerce Distribution Network Creates Operating Leverage

Delivery Center Markets

- Expect To Support 3 To 4 Delivery Centers Per Retail Hub At Maturity
- Target Adjacent Secondary Markets Or Large Metro Markets Where Traditional Dealership Real Estate Is Unavailable Or Cost Prohibitive



→ EchoPark – Industry Headwinds & Action Plan

Industry Headwinds

- Supply Chain Disruption Continues To Suppress New Vehicle Production And Inventory Levels – Beginning To Ease In Q1 2023
- Rental Car Companies Continue To Be Net Buyers In Used Vehicle Auction Market, But Not Paying As Much Above Market As In Early 2022 (Drove 8.4% Decrease In 3-Year Old Vehicle Manheim Prices In Q4 2022)
- Used Price As A Percentage Of New Price At 63% In December (Typically In 55-60% Range) Negatively Impacting Affordability
- 2023 Year-To-Date, 3-Year Old Vehicle Manheim Prices Increased 2.6% - Trend Through Tax Refund Season Could Be Indicator Of Used Vehicle Price And Demand Outlook For 2023

EchoPark Action Plan In Progress

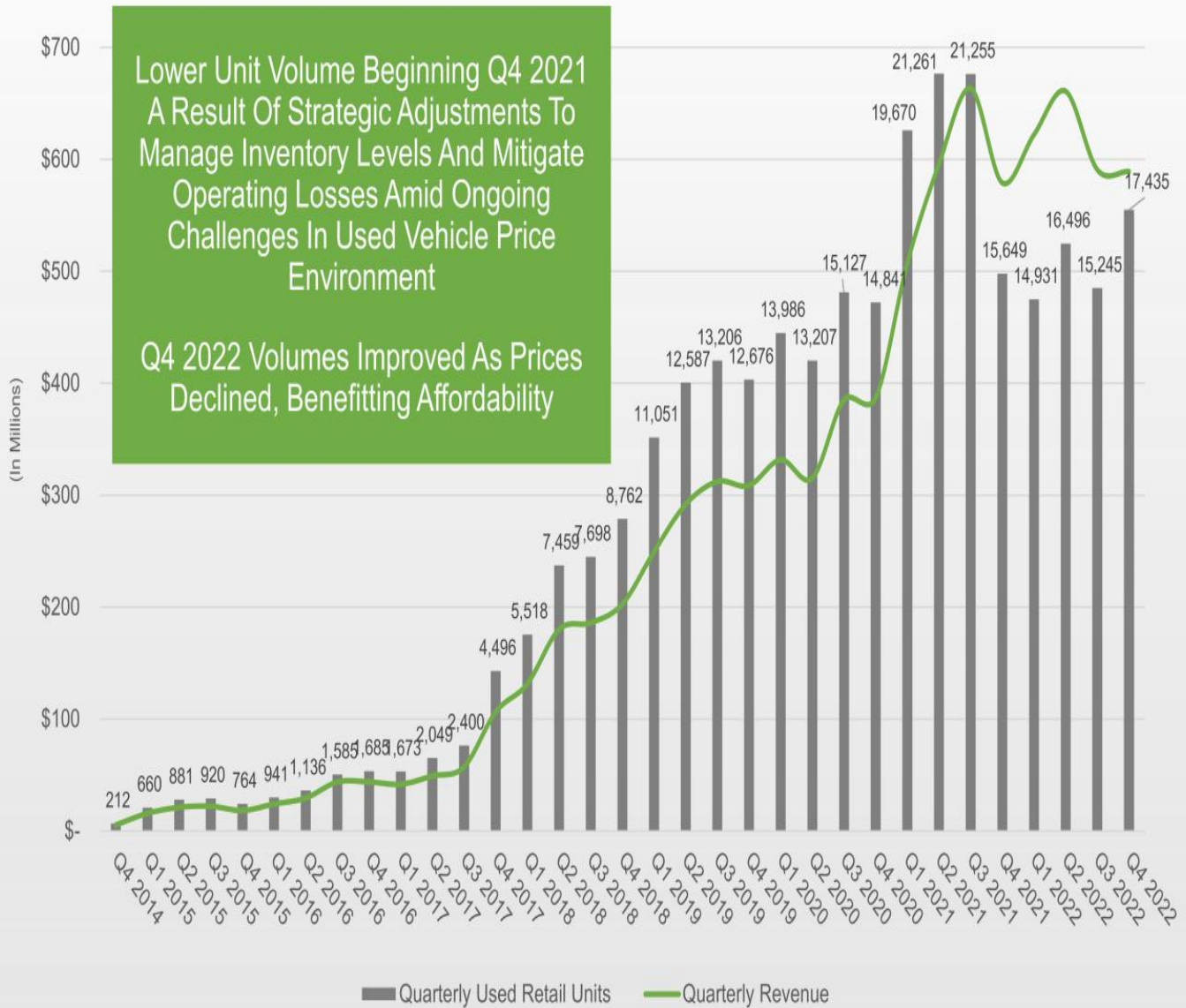
- Expanded Inventory To Include 5+ Year Old Vehicles In All Markets, Driving Lower Inventory Acquisition Cost And Lower Retail Selling Price, Expanding Customer Segments While Benefiting Consumer Affordability And Gross Profit Per Unit (“GPU”)
- Implemented Marketing Strategy To Source More Vehicles From Non-Auction Sources (Historically Less Than 10% Of Inventory)
- Launched New EchoPark.com In June 2022 To Modernize eCommerce Offering And Drive Improved Sales Efficiency And Volume Throughput
- EchoPark Brand Launch – Increase Consumer Awareness And Advertising Reach Beyond Being The Low Price Leader
- Pricing And Expense Optimization At EchoPark Expected To Drive Profitability Improvement Throughout 2023
- Continued Focus On Maintaining Highest Reputation Scores In The Pre-Owned Competitive Segment

EchoPark Action Plan Results To Date

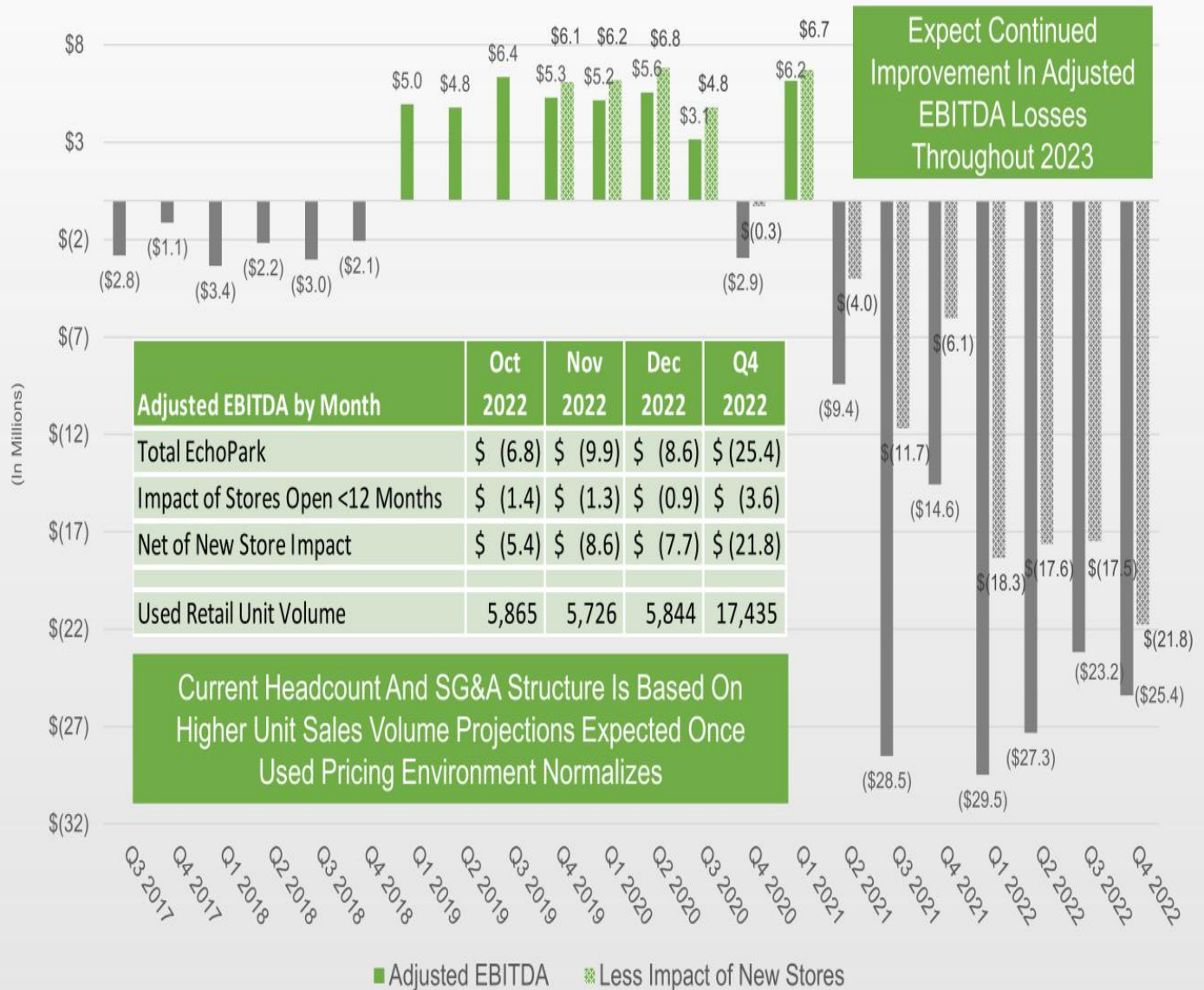
- Non-Auction Sourcing Mix Was 28% Of Sales In Q4 2022 Compared To 32% In Q3 2022 (Historically Less Than 10%)
- Older Model Year Cohort Vehicles (5+ Years Old) Represented 19% of Q4 2022 EchoPark Unit Sales Volume (Flat With Q3 2022), Average 35% Lower Selling Price And Generate \$1,650 More In Total GPU Compared To 1-4-Year Old Vehicles
- New EchoPark.com eCommerce Results For Q4 2022 (Launched To 100% Of Web Traffic In June 2022)
 - Omnichannel Transactions Accounted For 38% Of EchoPark Retail Unit Volume In Q4 2022 (Up From 31% In Q3 2022), With 9% Of EchoPark Volume Sold End-to-End Online In Q4 2022 (Compared to 7% In Q3 2022)
 - Approximately 50% Of Units Sold End-To-End Online Were Shipped Out Of Market
 - Online F&I Attachment Continues To Exceed Expectations, Averaging \$2,183 Per Unit (Down From \$2,325 In Q3 2022)



→ EchoPark – Growth Path



→ EchoPark – Adjusted EBITDA Trend



Refer To Appendix For Calculation And Reconciliation of Adjusted EBITDA (A Non-GAAP Measure).

Note: Amounts Reflect The Reclassification Of Certain Entities To The Powersports Segment That Were Previously Included In The EchoPark Segment Results For Q1 2022 Through Q3 2022

Note: Expected Improvement In Adjusted EBITDA Losses Is Based On Projections. Actual Results May Differ. See "Forward-Looking Statements."





Powersports



→ Powersports – Opportunistic Growth

Sonic Powersports

- Growth Via Acquisition At **Attractive Earnings Multiples**
- Consolidation Opportunity In A **\$34 Billion** Market* Where **85% Of U.S. Dealers** Own A Single Location
- Drive **Profitability Enhancement** Through Technology And Process Development
- Generate **Higher Margins** Compared To Traditional Automotive Retail



* Estimated Value Of North American Powersports Industry In 2022, Per Global Market Insights





Omnichannel Strategy



→ Buy & Sell Your Way



Buy & Sell Your Way

- Our Blend Of Brick And Mortar And eCommerce Strategies Allows Guests To **Choose Their Preferred Buying Approach**
- A **Flexible, Guest-Centric** Experience With Options
- Will Be **Seamless To The Guest**, Regardless Of Which Path They Choose



Buy On-Site

- Complete A Traditional Vehicle Purchase Experience With A **Modern, Technology-Enabled Approach**
- Can Be Completed In **Under An Hour**



Start Online, Finish On-Site Or Buy Completely Online

- Research Online, Utilize Chat, Text, Phone, Zoom To **Reduce In-Person Process**
- Review And Select Insurance Products And Financing Options
- Includes Online Trade-In Appraisal And **Firm Purchase Offer**
- Complete A Full eCommerce Transaction **In Minutes**
- **Conveniently** Test Drive And Finalize Purchase At Franchised Dealership, EchoPark Retail Hub Or EchoPark Delivery Center

Represents 38% Of Q4 2022 EchoPark Unit Sales Volume



→ New EchoPark.com Results to Date

EchoPark[®]

AUTOMOTIVE

Rolled Out To
**100% Of
National Web
Traffic**
In June 2022

Conversion Rate
**30%
Higher**
Compared To
Old Website

Nearly
**50% Of
Vehicles**
Sold Out Of Market In
Q4 2022, Driving
Incremental Reach

Q4 2022 F&I of
**\$2,183
Per Unit**
Exceeding Projections
For End-To-End Online
F&I Product Sales

Total Website Traffic Improved 29%, To 4.3 Million
Unique Visitors, From Q3 2022 To Q4 2022
Sales Lead Conversion Rate Improved 10% From
Q3 2022 To Q4 2022

EchoPark[®]
AUTOMOTIVE

28211

Search make, model, or feature

Buy your car, your way.

Shop 100% online or in stores.
Always up to \$3,000 less than the rest.

Shop all cars



Appendix



→ GAAP Income Statement Annual Trend – Consolidated

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2022 Better / (Worse) % Change Year-Over-Year
(In millions, except unit, per unit, and per share data)						
Revenues:						
Retail new vehicles	\$ 5,622.6	\$ 4,993.5	\$ 4,224.4	\$ 4,777.3	\$ 4,905.9	13%
Fleet new vehicles	99.4	124.5	56.8	111.9	68.2	(20%)
Total new vehicles	5,722.0	5,118.0	4,281.2	4,889.2	4,974.1	12%
Used vehicles	5,515.4	4,877.2	3,564.8	3,490.0	2,973.5	13%
Wholesale vehicles	484.9	367.2	197.4	202.8	217.6	32%
Total vehicles	11,722.3	10,362.4	8,043.4	8,582.0	8,165.2	13%
Parts, service and collision repair	1,599.7	1,396.8	1,233.7	1,395.3	1,380.9	15%
Finance, insurance and other, net ("F&I")	679.1	637.2	489.9	477.0	405.5	7%
Total revenues	14,001.1	12,396.4	9,767.0	10,454.3	9,951.6	13%
Gross profit:						
Retail new vehicles	662.8	459.7	233.2	231.7	240.5	44%
Fleet new vehicles	4.9	1.7	0.9	1.4	1.0	201%
Total new vehicles	667.7	461.4	234.1	233.1	241.5	45%
Used vehicles	180.8	131.9	106.0	147.4	143.0	37%
Wholesale vehicles	(3.1)	9.8	(1.0)	(4.5)	(11.3)	(131%)
Total vehicles	845.4	603.1	339.1	376.0	373.2	40%
Parts, service and collision repair	792.5	674.0	594.6	668.0	667.4	18%
Finance, insurance and other, net	679.1	637.2	489.9	477.0	405.5	7%
Total gross profit	2,317.0	1,914.3	1,423.6	1,521.0	1,446.1	21%
SG&A expenses	(1,555.1)	(1,274.7)	(1,028.7)	(1,099.4)	(1,145.3)	(22%)
Impairment charges	(320.4)	(0.1)	(270.0)	(20.8)	(29.5)	NM
Depreciation and amortization	(127.5)	(101.1)	(91.0)	(93.1)	(93.6)	(26%)
Operating income (loss)	314.0	538.4	33.9	307.7	177.7	(42%)
Interest expense, floor plan	(34.3)	(16.7)	(27.2)	(48.5)	(48.4)	(105%)
Interest expense, other, net	(89.9)	(48.0)	(41.6)	(53.0)	(54.1)	(87%)
Other income (expense), net	0.2	(15.5)	0.1	(6.6)	0.1	NM
Income (loss) from continuing operations before taxes	190.0	458.2	(34.8)	199.6	75.3	(59%)
Income tax benefit (expense)	(101.5)	(109.3)	(15.9)	(55.1)	(22.9)	7%
Net income (loss) from continuing operations	\$ 88.5	\$ 348.9	\$ (50.7)	\$ 144.5	\$ 52.4	(75%)
Diluted weighted-average shares outstanding	39.7	43.3	42.5	43.7	43.0	8%
Diluted earnings (loss) per share from continuing operations	\$ 2.23	\$ 8.06	\$ (1.19)	\$ 3.31	\$ 1.22	(72%)
Unit sales volume:						
Retail new vehicles	101,168	99,943	91,939	111,457	120,819	1%
Fleet new vehicles	2,115	3,543	1,342	2,674	1,898	(40%)
Used vehicles	173,209	183,292	159,025	162,149	139,605	(6%)
Wholesale vehicles	35,323	36,795	32,057	34,153	34,167	(4%)
Gross profit per unit ("GPU"):						
Retail new vehicles	\$ 6,552	\$ 4,600	\$ 2,536	\$ 2,078	\$ 1,991	42%
Used vehicles	\$ 1,044	\$ 720	\$ 667	\$ 909	\$ 1,024	45%
F&I	\$ 2,475	\$ 2,250	\$ 1,952	\$ 1,743	\$ 1,557	10%

Note: Earnings (Loss) Per Share and Gross Profit Per Unit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



→ Non-GAAP Reconciliation – Annual Trend – Consolidated

(In millions, except per share data)	FY2022	FY2021	FY2020	FY2019	FY2018	FY 2022 Better / (Worse) % Change Year-Over-Year
Reported net income (loss) from continuing operations	\$ 88.5	\$ 348.9	\$ (50.7)	\$ 144.5	\$ 52.4	(75%)
Adjustments:						
Impairment charges	\$ 320.4	\$ -	\$ 269.2	\$ 19.6	\$ 29.5	NM
Acquisition and disposition-related (gain) loss	(9.1)	1.2	(9.2)	(76.0)	(38.9)	NM
Long-term compensation charges	4.4	6.5	-	6.3	34.1	NM
Loss on debt extinguishment	-	15.6	-	7.2	-	NM
Legal and storm damage charges	-	-	-	-	5.7	NM
Loss (gain) on exit of leased dealerships	-	-	-	-	1.5	NM
Total pre-tax adjustments	315.7	23.3	260.0	(42.9)	31.9	NM
Tax effect of above items	(22.6)	(5.9)	(40.4)	14.2	(7.4)	NM
Total net income effect of adjustments	293.1	17.4	219.6	(28.7)	24.5	NM
Adjusted net income (loss) from continuing operations	\$ 381.6	\$ 366.3	\$ 168.9	\$ 115.8	\$ 76.9	4%
Diluted weighted-average shares outstanding	39.7	43.3	43.9	43.7	43.0	8%
Adjusted diluted earnings (loss) per share from continuing operations	\$ 9.61	\$ 8.46	\$ 3.85	\$ 2.65	\$ 1.79	14%
Reported SG&A expenses	\$ (1,555.1)	\$ (1,274.7)	\$ (1,028.7)	\$ (1,099.4)	\$ (1,145.3)	(22%)
Acquisition and disposition-related (gain) loss	(9.1)	1.2	(9.2)	(76.0)	(38.9)	NM
Long-term compensation charges	4.4	6.5	-	6.3	34.1	NM
Adjusted SG&A expenses	\$ (1,559.8)	\$ (1,267.0)	\$ (1,037.9)	\$ (1,169.1)	\$ (1,150.1)	(23%)
Adjusted SG&A expenses as a percentage of gross profit	67.3%	66.2%	72.9%	76.9%	79.0%	(110) bps
Reported net income (loss)	\$ 88.5	\$ 348.9	\$ (51.4)	\$ 144.1	\$ 51.7	NM
Income tax (benefit) expense	101.5	109.3	15.6	55.0	22.6	NM
Income (loss) before taxes	190.0	458.2	(35.8)	199.1	74.3	NM
Non-floor plan interest	84.7	44.7	38.7	50.5	52.0	NM
Depreciation and amortization	132.7	104.3	93.9	95.6	96.7	NM
Stock-based compensation expense	16.0	15.0	11.7	10.8	11.9	NM
Loss (gain) on exit of leased dealerships	-	-	-	(0.2)	1.7	NM
Impairment charges	320.4	0.1	270.0	20.8	29.5	NM
Loss on debt extinguishment	-	15.6	-	6.7	-	NM
Long-term compensation charges	4.4	8.0	-	-	32.5	NM
Acquisition and disposition-related (gain) loss	(9.7)	(0.4)	(8.2)	(74.8)	(39.3)	NM
Adjusted EBITDA	\$ 738.5	\$ 645.5	\$ 370.3	\$ 308.5	\$ 259.3	14%
Long-term debt (including current portion)	\$ 1,751.7	\$ 1,561.2	\$ 720.1	\$ 706.9	\$ 945.1	NM
Cash and equivalents	(229.2)	(299.4)	(170.3)	(29.1)	(5.9)	NM
Floor plan deposit balance	(272.0)	(99.8)	(73.2)	-	-	NM
Net debt	\$ 1,250.5	\$ 1,162.0	\$ 476.6	\$ 677.8	\$ 939.2	NM
Net debt to adjusted EBITDA ratio	1.69	1.80	1.29	2.20	3.62	NM
Long-term debt (including current portion) to adjusted EBITDA ratio	2.37	2.42	1.94	2.29	3.64	NM

Note: Earnings (Loss) Per Share and SG&A Expenses As A Percentage Of Gross Profit Metrics Are Calculated Based On Actual Unrounded Amounts
 Note: Balance Sheet Amounts Are As Of December 31 For The FY Then Ended

NM = Not Meaningful



→ GAAP Income Statement Quarterly Trend – Consolidated

(In millions, except unit, per unit, and per share data)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse)	% Change
						Sequential	Year-Over-Year
Revenues:							
Retail new vehicles	\$ 1,555.3	\$ 1,371.8	\$ 1,344.3	\$ 1,351.3	\$ 1,278.3	13%	22%
Fleet new vehicles	29.3	32.0	19.8	18.2	73.6	(8%)	(60%)
Total new vehicles	1,584.6	1,403.8	1,364.1	1,369.5	1,351.9	13%	17%
Used vehicles	1,341.1	1,354.1	1,449.4	1,370.9	1,210.9	(1%)	11%
Wholesale vehicles	80.0	114.6	121.4	168.7	110.5	(30%)	(28%)
Total vehicles	3,005.7	2,872.5	2,934.9	2,909.1	2,673.3	5%	12%
Parts, service and collision repair	411.1	410.0	398.1	380.5	360.1	0%	14%
Finance, insurance and other, net ("F&I")	173.8	165.6	173.2	166.6	151.2	5%	15%
Total revenues	3,590.6	3,448.1	3,506.2	3,456.2	3,184.6	4%	13%
Gross profit:							
Retail new vehicles	164.6	162.2	168.3	167.7	157.4	1%	5%
Fleet new vehicles	1.8	1.3	0.9	0.8	0.6	33%	172%
Total new vehicles	166.4	163.5	169.2	168.5	158.0	2%	5%
Used vehicles	35.5	50.1	47.1	48.1	46.6	(29%)	(24%)
Wholesale vehicles	(3.7)	(2.2)	1.2	1.5	3.2	(62%)	(208%)
Total vehicles	198.2	211.4	217.5	218.1	207.8	(8%)	(5%)
Parts, service and collision repair	204.1	203.7	198.1	186.6	171.6	0%	19%
Finance, insurance and other, net	173.8	165.6	173.2	166.6	151.2	5%	15%
Total gross profit	576.1	580.7	588.8	571.3	530.6	(1%)	9%
SG&A expenses	(366.3)	(399.0)	(402.8)	(387.0)	(343.3)	8%	(7%)
Impairment charges	(320.4)	-	-	-	(0.1)	NM	NM
Depreciation and amortization	(33.5)	(32.8)	(31.2)	(29.9)	(27.4)	(2%)	(23%)
Operating income (loss)	(144.1)	148.9	154.8	154.4	159.8	(197%)	(190%)
Interest expense, floor plan	(13.6)	(9.6)	(6.1)	(4.9)	(4.0)	(42%)	(245%)
Interest expense, other, net	(24.9)	(22.9)	(21.3)	(20.8)	(17.8)	(8%)	(40%)
Other income (expense), net	0.1	-	(0.2)	0.2	(15.6)	NM	NM
Income (loss) before taxes	(182.5)	116.4	127.2	128.9	122.4	(257%)	(249%)
Income tax benefit (expense)	(8.4)	(29.1)	(32.5)	(31.6)	(25.9)	71%	67%
Net income (loss)	\$ (190.9)	\$ 87.3	\$ 94.8	\$ 97.3	\$ 96.6	(319%)	(298%)
Diluted weighted-average shares outstanding	36.5	39.2	40.5	41.8	42.8	7%	15%
Diluted earnings (loss) per share	\$ (5.22)	\$ 2.23	\$ 2.34	\$ 2.33	\$ 2.25	(334%)	(332%)
Unit sales volume:							
Retail new vehicles	27,278	24,776	24,427	24,687	23,534	10%	16%
Fleet new vehicles	661	672	422	360	2,246	(2%)	(71%)
Used vehicles	44,303	42,069	44,764	42,073	39,046	5%	13%
Wholesale vehicles	8,094	8,263	8,545	10,421	7,860	(2%)	3%
Gross profit per unit ("GPU"):							
Retail new vehicles	\$ 6,034	\$ 6,547	\$ 6,890	\$ 6,793	\$ 6,687	(8%)	(10%)
Used vehicles	\$ 800	\$ 1,190	\$ 1,053	\$ 1,144	\$ 1,193	(33%)	(33%)
F&I	\$ 2,428	\$ 2,477	\$ 2,503	\$ 2,495	\$ 2,415	(2%)	1%

Note: Earnings (Loss) Per Share and Gross Profit Per Unit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



→ Non-GAAP Reconciliation – Quarterly Trend – Consolidated

(In millions, except per share data)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse) % Change Sequential	Year-Over-Year
Reported net income (loss)	\$ (190.9)	\$ 87.3	\$ 94.8	\$ 97.3	\$ 96.6	(319%)	(298%)
Adjustments:							
Impairment charges	\$ 320.4	\$ -	\$ -	\$ -	\$ -	NM	NM
Acquisition and disposition-related (gain) loss	(9.1)	-	-	-	1.2	NM	NM
Long-term compensation charges	-	-	4.4	-	6.5	NM	NM
Loss on debt extinguishment	-	-	-	-	15.6	NM	NM
Total pre-tax adjustments	311.3	-	4.4	-	23.3	NM	NM
Tax effect of above items	(22.6)	-	-	-	(5.9)	NM	NM
Total net income effect of adjustments	288.7	-	4.4	-	17.4	NM	NM
Adjusted net income (loss)	\$ 97.8	\$ 87.3	\$ 99.2	\$ 97.3	\$ 114.0	12%	(14%)
Diluted weighted-average shares outstanding	37.4	39.2	40.5	41.8	42.8	5%	13%
Adjusted diluted earnings (loss) per share	\$ 2.61	\$ 2.23	\$ 2.45	\$ 2.33	\$ 2.66	17%	(2%)
Reported SG&A expenses	\$ (366.3)	\$ (399.0)	\$ (402.8)	\$ (387.0)	\$ (343.3)	8%	(7%)
Acquisition and disposition-related (gain) loss	(9.1)	-	-	-	1.2	NM	NM
Long-term compensation charges	-	-	4.4	-	6.5	NM	NM
Adjusted SG&A expenses	\$ (375.4)	\$ (399.0)	\$ (398.4)	\$ (387.0)	\$ (335.6)	6%	(12%)
Adjusted SG&A expenses as a percentage of gross profit	65.2%	68.7%	67.7%	67.7%	63.3%	350 bps	(190) bps
Reported net income (loss)	\$ (190.9)	\$ 87.3	\$ 94.8	\$ 97.3	\$ 96.6	NM	NM
Income tax (benefit) expense	8.4	29.1	32.5	31.6	25.9	NM	NM
Income (loss) before taxes	(182.5)	116.4	127.2	128.9	122.4	NM	NM
Non-floor plan interest	23.5	21.4	20.1	19.7	16.9	NM	NM
Depreciation and amortization	34.9	34.3	32.4	31.1	28.3	NM	NM
Stock-based compensation expense	3.6	3.8	4.2	4.4	3.8	NM	NM
Impairment charges	320.4	-	-	-	0.1	NM	NM
Loss on debt extinguishment	-	-	-	-	15.6	NM	NM
Long-term compensation charges	-	-	4.4	-	6.5	NM	NM
Acquisition and disposition-related (gain) loss	(9.2)	0.5	0.1	(1.1)	0.5	NM	NM
Adjusted EBITDA	\$ 190.7	\$ 176.4	\$ 188.4	\$ 183.0	\$ 193.8	8%	(2%)

Note: Earnings (Loss) Per Share and SG&A Expenses As A Percentage Of Gross Profit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



GAAP Income Statement – Quarterly Trend – Franchised Dealerships Segment

(In millions, except unit and per unit data)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse) % Change Sequential	Year-Over-Year
Revenues:							
Retail new vehicles	\$ 1,534.5	\$ 1,359.6	\$ 1,341.7	\$ 1,345.7	\$ 1,273.6	13%	20%
Fleet new vehicles	29.4	32.0	19.9	18.1	73.7	(8%)	(60%)
Total new vehicles	1,563.9	1,391.6	1,361.6	1,363.8	1,347.3	12%	16%
Used vehicles	823.4	842.4	871.9	853.7	727.7	(2%)	13%
Wholesale vehicles	52.6	75.7	79.3	106.4	74.0	(30%)	(29%)
Total vehicles	2,439.9	2,309.7	2,312.8	2,323.9	2,149.0	6%	14%
Parts, service and collision repair	404.8	404.7	398.1	380.5	346.2	0%	17%
Finance, insurance and other, net ("F&I")	128.0	125.9	129.8	126.5	110.1	2%	16%
Total revenues	2,972.7	2,840.3	2,840.7	2,830.9	2,605.3	5%	14%
Gross profit:							
Retail new vehicles	160.8	160.7	167.3	166.6	156.7	0%	3%
Fleet new vehicles	1.8	1.3	0.9	0.8	0.6	33%	172%
Total new vehicles	162.6	162.0	168.2	167.4	157.3	0%	3%
Used vehicles	38.4	45.4	43.7	46.9	50.8	(15%)	(24%)
Wholesale vehicles	(3.2)	(2.1)	(0.5)	(0.4)	0.4	(57%)	(855%)
Total vehicles	197.8	205.3	211.4	213.9	208.5	(4%)	(5%)
Parts, service and collision repair	200.9	201.0	198.1	186.6	171.1	0%	17%
Finance, insurance and other, net	128.0	125.9	129.8	126.5	110.1	2%	16%
Total gross profit	526.7	532.2	539.3	527.0	489.7	(1%)	8%
SG&A expenses	(298.1)	(332.0)	(327.6)	(315.2)	(282.8)	10%	(5%)
Impairment charges	(115.5)	-	-	-	-	NM	NM
Depreciation and amortization	(26.0)	(25.9)	(25.2)	(24.9)	(22.5)	(1%)	(16%)
Operating income (loss)	87.1	174.3	186.5	186.9	184.4	(50%)	(53%)
Interest expense, floor plan	(9.8)	(6.6)	(3.9)	(3.3)	(2.5)	(47%)	(293%)
Interest expense, other, net	(23.4)	(21.4)	(20.2)	(20.0)	(17.1)	(9%)	(37%)
Other income (expense), net	-	-	(0.3)	0.2	(15.6)	NM	NM
Income (loss) before taxes	\$ 53.9	\$ 146.3	\$ 162.1	\$ 163.8	\$ 149.2	(63%)	(64%)
Unit sales volume:							
Retail new vehicles	26,239	24,241	24,342	24,602	23,475	8%	12%
Fleet new vehicles	661	672	422	360	2,246	(2%)	(71%)
Used vehicles	26,631	26,647	28,156	27,078	23,397	0%	14%
Wholesale vehicles	5,616	5,813	5,851	6,772	5,424	(3%)	4%
Gross profit per unit ("GPU"):							
Retail new vehicles	\$ 6,130	\$ 6,627	\$ 6,871	\$ 6,771	\$ 6,673	(8%)	(8%)
Used vehicles	\$ 1,442	\$ 1,704	\$ 1,553	\$ 1,731	\$ 2,172	(15%)	(34%)
F&I	\$ 2,421	\$ 2,473	\$ 2,472	\$ 2,448	\$ 2,349	(2%)	3%

Note: Gross Profit Per Unit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



→ Non-GAAP Reconciliation – Quarterly Trend – Franchised Dealerships Segment

(In millions)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse) % Change	
						Sequential	Year-Over-Year
Reported income (loss) before taxes	\$ 53.9	\$ 146.3	\$ 162.1	\$ 163.8	\$ 149.2	(63%)	(64%)
Impairment charges	115.5	-	-	-	-	NM	NM
Segment income (loss)	\$ 169.4	\$ 146.3	\$ 162.1	\$ 163.8	\$ 149.2	16%	14%
Acquisition and disposition-related (gain) loss	(9.1)	-	-	-	1.2	NM	NM
Long-term compensation charges	-	-	4.4	-	-	NM	NM
Loss on debt extinguishment	-	-	-	-	15.6	NM	NM
Adjusted segment income (loss)	\$ 160.3	\$ 146.3	\$ 166.5	\$ 163.8	\$ 166.0	10%	(3%)
Reported SG&A expenses	\$ (298.1)	\$ (332.0)	\$ (327.6)	\$ (315.2)	\$ (282.8)	10%	(5%)
Acquisition and disposition-related (gain) loss	(9.1)	-	-	-	1.2	NM	NM
Long-term compensation charges	-	-	4.4	-	-	NM	NM
Adjusted SG&A expenses	\$ (307.2)	\$ (332.0)	\$ (323.2)	\$ (315.2)	\$ (281.6)	7%	(9%)
Adjusted SG&A expenses as a percentage of gross profit	58.3%	62.4%	59.9%	59.8%	57.5%	410 bps	(80) bps
Income (loss) before taxes	\$ 53.9	\$ 146.3	\$ 162.1	\$ 163.8	\$ 149.2	NM	NM
Non-floor plan interest	22.0	19.9	19.1	19.0	16.2	NM	NM
Depreciation and amortization	27.4	27.3	26.4	25.9	23.4	NM	NM
Stock-based compensation expense	3.6	3.8	4.2	4.4	3.8	NM	NM
Impairment charges	115.5	-	-	-	-	NM	NM
Loss on debt extinguishment	-	-	-	-	15.6	NM	NM
Long-term compensation charges	-	-	4.4	-	-	NM	NM
Acquisition and disposition-related (gain) loss	(9.2)	0.5	0.1	(1.1)	0.5	NM	NM
Adjusted EBITDA	\$ 213.2	\$ 197.8	\$ 216.3	\$ 212.0	\$ 208.4	8%	2%

Note: SG&A Expenses As A Percentage Of Gross Profit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



GAAP Income Statement – Quarterly Trend – EchoPark Segment

(In millions, except unit and per unit data)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse) % Change Sequential	Year-Over-Year
Revenues:							
Retail new vehicles	\$ 2.0	\$ 1.6	\$ 1.2	\$ 4.5	\$ 4.6	24%	(57%)
Used vehicles	515.5	511.4	574.5	515.3	497.0	1%	7%
Wholesale vehicles	27.3	38.9	42.1	62.4	36.5	(30%)	(25%)
Total vehicles	544.8	551.9	617.8	582.2	538.1	(1%)	4%
Finance, insurance and other, net ("F&I")	44.5	38.9	43.1	39.9	41.1	14%	8%
Total revenues	589.3	590.8	660.9	622.1	579.2	0%	2%
Gross profit:							
Retail new vehicles	0.2	(0.6)	0.7	0.8	0.7	132%	(75%)
Used vehicles	(3.6)	5.0	2.4	0.7	(3.7)	(173%)	14%
Wholesale vehicles	(0.3)	(0.1)	1.6	1.9	2.8	(166%)	(110%)
Total vehicles	(3.7)	4.3	4.7	3.4	(0.2)	(187%)	(446%)
Finance, insurance and other, net	44.5	38.9	43.1	39.9	41.1	14%	8%
Total gross profit	40.8	43.2	47.8	43.3	40.9	(6%)	0%
SG&A expenses	(62.3)	(63.4)	(72.9)	(71.2)	(60.5)	2%	(3%)
Impairment charges	(204.9)	-	-	-	(0.1)	NM	NM
Depreciation and amortization	(7.0)	(6.7)	(5.9)	(5.1)	(4.8)	(4%)	(45%)
Operating income (loss)	(233.4)	(26.9)	(31.0)	(33.0)	(24.5)	(766%)	(847%)
Interest expense, floor plan	(3.9)	(3.0)	(2.2)	(1.6)	(1.5)	(30%)	(162%)
Interest expense, other, net	(0.9)	(1.1)	(1.0)	(0.8)	(0.7)	21%	(31%)
Other income (expense), net	-	-	-	0.1	-	NM	NM
Income (loss) before taxes	\$ (238.2)	\$ (31.0)	\$ (34.2)	\$ (35.3)	\$ (26.7)	(667%)	(789%)
Unit sales volume:							
Retail new vehicles	26	45	37	44	59	(42%)	(56%)
Used vehicles	17,435	15,245	16,496	14,931	15,649	14%	11%
Wholesale vehicles	2,444	2,449	2,694	3,649	2,436	0%	0%
Gross profit per unit ("GPU"):							
Total used vehicle and F&I	\$ 2,340	\$ 2,869	\$ 2,751	\$ 2,707	\$ 2,344	(18%)	0%

Note: Gross Profit Per Unit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



→ Non-GAAP Reconciliation – Quarterly Trend – EchoPark Segment

(In millions)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse) % Change	
						Sequential	Year-Over-Year
Reported income (loss) before taxes	\$ (238.2)	\$ (31.0)	\$ (34.2)	\$ (35.3)	\$ (26.7)	(667%)	(789%)
Impairment charges	204.9	-	-	-	0.1	NM	NM
Segment income (loss)	\$ (33.3)	\$ (31.0)	\$ (34.2)	\$ (35.3)	\$ (26.6)	(7%)	(25%)
Long-term compensation charges	-	-	-	-	6.5	NM	NM
Adjusted segment income (loss)	\$ (33.3)	\$ (31.0)	\$ (34.2)	\$ (35.3)	\$ (20.1)	(7%)	(65%)
Reported SG&A expenses	\$ (62.3)	\$ (63.4)	\$ (72.9)	\$ (71.2)	\$ (60.5)	2%	(3%)
Long-term compensation charges	-	-	-	-	6.5	NM	NM
Adjusted SG&A expenses	\$ (62.3)	\$ (63.4)	\$ (72.9)	\$ (71.2)	\$ (54.0)	2%	(15%)
Adjusted SG&A expenses as a percentage of gross profit	152.8%	146.8%	152.6%	164.4%	132.2%	(600) bps	(2,060) bps
Income (loss) before taxes	\$ (238.2)	\$ (31.0)	\$ (34.2)	\$ (35.3)	\$ (26.7)	NM	NM
Non-floor plan interest	0.9	1.1	1.0	0.7	0.7	NM	NM
Depreciation and amortization	7.0	6.8	5.9	5.1	4.9	NM	NM
Impairment charges	204.9	-	-	-	0.1	NM	NM
Long-term compensation charges	-	-	-	-	6.5	NM	NM
Adjusted EBITDA	\$ (25.4)	\$ (23.2)	\$ (27.3)	\$ (29.5)	\$ (14.6)	9%	74%

Note: SG&A Expenses As A Percentage Of Gross Profit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



GAAP Income Statement – Quarterly Trend – Powersports Segment

(In millions, except unit and per unit data)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse) Sequential	% Change Year-Over-Year
Revenues:							
Retail new vehicles	\$ 18.8	\$ 10.6	\$ 1.3	\$ 1.1	\$ -	78%	NM
Used vehicles	2.1	0.2	3.0	1.8	-	841%	NM
Wholesale vehicles	0.1	-	0.1	-	-	62%	NM
Total vehicles	21.0	10.8	4.4	3.0	-	94%	NM
Parts, service and collision repair	6.3	5.3	-	-	-	19%	NM
Finance, insurance and other, net ("F&I")	1.3	0.9	0.3	0.2	-	48%	NM
Total revenues	28.6	17.0	4.7	3.2	-	68%	NM
Gross profit:							
Retail new vehicles	3.6	2.1	0.4	0.3	-	70%	NM
Used vehicles	0.7	(0.3)	1.0	0.6	-	318%	NM
Wholesale vehicles	-	-	-	-	-	0%	NM
Total vehicles	4.3	1.8	1.4	0.9	-	137%	NM
Parts, service and collision repair	3.1	2.7	-	-	-	15%	NM
Finance, insurance and other, net	1.3	0.9	0.3	0.2	-	48%	NM
Total gross profit	8.7	5.4	1.7	1.1	-	61%	NM
SG&A expenses	(5.9)	(3.6)	(2.3)	(0.6)	-	(66%)	NM
Impairment charges	-	-	-	-	-	NM	NM
Depreciation and amortization	(0.6)	(0.2)	(0.1)	(0.1)	-	(108%)	NM
Operating income (loss)	2.2	1.6	(0.7)	0.4	-	42%	NM
Interest expense, floor plan	-	-	-	-	-	NM	NM
Interest expense, other, net	(0.6)	(0.4)	-	-	-	(42%)	NM
Other income (expense), net	0.2	-	-	-	-	NM	NM
Income (loss) before taxes	\$ 1.8	\$ 1.2	\$ (0.7)	\$ 0.4	\$ -	51%	NM
Unit sales volume:							
Retail new vehicles	1,013	490	48	41	-	107%	NM
Used vehicles	237	177	112	64	-	34%	NM
Wholesale vehicles	34	1	-	-	-	NM	NM
Gross profit per unit ("GPU"):							
Retail new vehicles	\$ 3,535	\$ 4,304	\$ 7,401	\$ 6,829	NM	(18%)	NM
Used vehicles	\$ 2,860	\$ (1,773)	\$ 9,000	\$ 9,433	NM	261%	NM
F&I	\$ 1,026	\$ 1,297	\$ 1,933	\$ 1,643	NM	(21%)	NM

Note: Gross Profit Per Unit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful



Non-GAAP Reconciliation – Quarterly Trend – Powersports Segment

(In millions)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q4 2022	
						Better / (Worse) % Change Sequential	Year-Over-Year
Reported income (loss) before taxes	\$ 1.8	\$ 1.2	\$ (0.7)	\$ 0.4	\$ -	51%	NM
Impairment charges	-	-	-	-	-	NM	NM
Segment income (loss)	\$ 1.8	\$ 1.2	\$ (0.7)	\$ 0.4	\$ -	51%	NM
Long-term compensation charges	-	-	-	-	-	NM	NM
Adjusted segment income (loss)	\$ 1.8	\$ 1.2	\$ (0.7)	\$ 0.4	\$ -	51%	NM
Reported SG&A expenses	\$ (5.9)	\$ (3.6)	\$ (2.3)	\$ (0.6)	\$ -	(66%)	NM
Acquisition and disposition-related (gain) loss	-	-	-	-	-	NM	NM
Long-term compensation charges	-	-	-	-	-	NM	NM
Adjusted SG&A expenses	\$ (5.9)	\$ (3.6)	\$ (2.3)	\$ (0.6)	\$ -	(66%)	NM
Adjusted SG&A expenses as a percentage of gross profit	68.4%	66.2%	135.2%	53.2%	NM	(220) bps	NM
Income (loss) before taxes	\$ 1.8	\$ 1.2	\$ (0.7)	\$ 0.4	\$ -	NM	NM
Non-floor plan interest	0.6	0.4	-	-	-	NM	NM
Depreciation and amortization	0.5	0.2	0.1	0.1	-	NM	NM
Impairment charges	-	-	-	-	-	NM	NM
Long-term compensation charges	-	-	-	-	-	NM	NM
Adjusted EBITDA	\$ 2.9	\$ 1.8	\$ (0.6)	\$ 0.5	\$ -	61%	NM

Note: SG&A Expenses As A Percentage Of Gross Profit Metrics Are Calculated Based On Actual Unrounded Amounts

NM = Not Meaningful

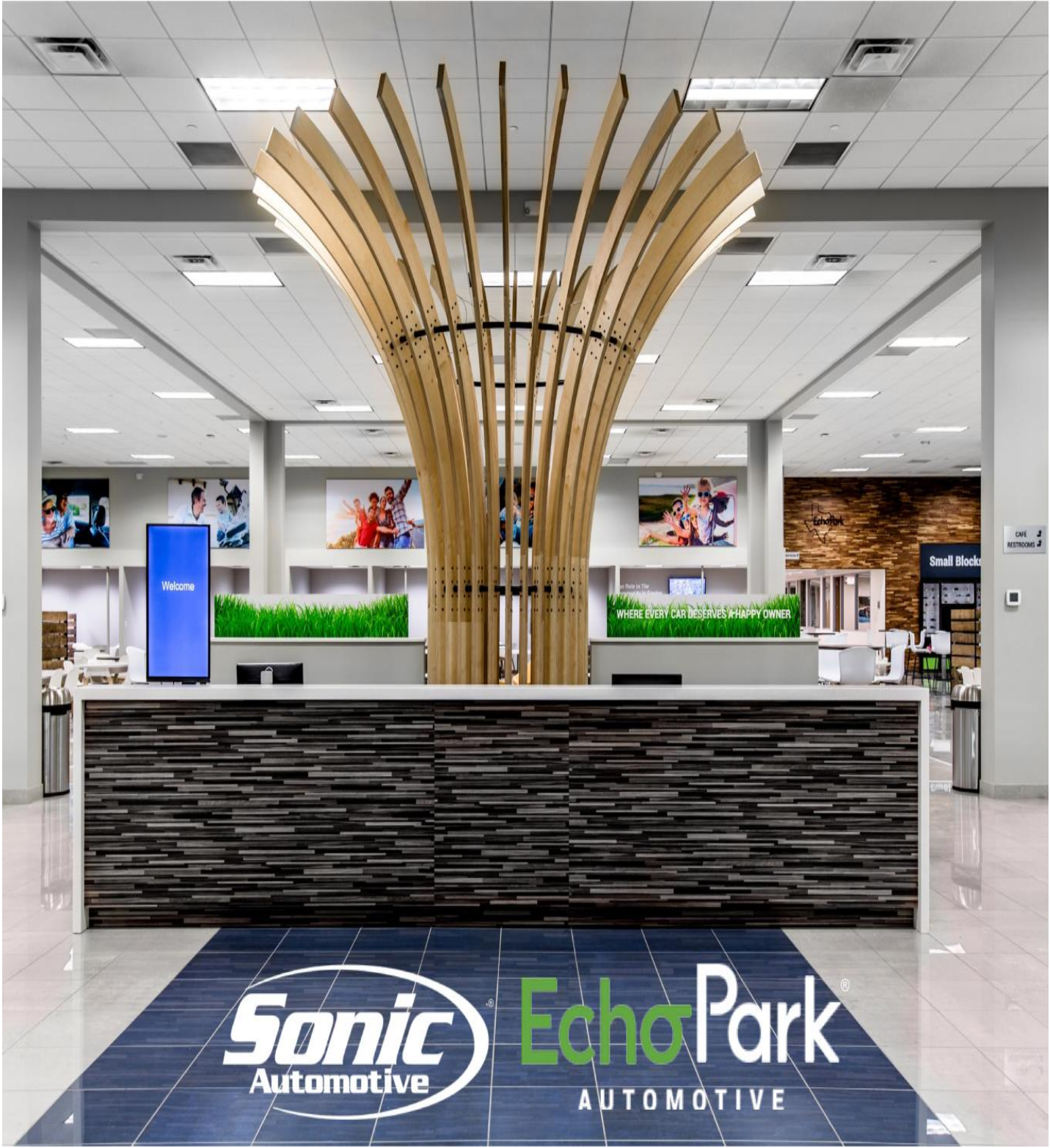


→ Non-GAAP Reconciliation – Adjusted EBITDA – EchoPark Segment

(In millions)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Income (loss) before taxes	\$ 2.1	\$ 2.6	\$ 0.2	\$ (0.8)	\$ 2.0	\$ (14.4)	\$ (32.9)	\$ (26.8)	\$ (35.3)	\$ (34.2)	\$ (31.1)	\$ (238.2)
Non-floor plan interest	0.4	0.2	0.1	0.2	0.4	0.3	0.3	0.7	0.7	1.0	1.1	0.9
Depreciation and amortization	2.7	2.8	2.8	2.9	3.3	4.2	4.0	4.9	5.1	5.9	6.8	7.0
Stock-based compensation expense	-	-	-	-	-	-	-	-	-	-	-	-
Loss (gain) on exit of leased dealerships	-	-	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	-	-	-	-	-	0.1	-	-	-	204.9
Loss (gain) on debt extinguishment	-	-	-	-	-	-	-	-	-	-	-	-
Long-term compensation charges	-	-	-	-	0.5	0.5	0.5	6.5	-	-	-	-
Acquisition and disposition-related (gain) loss	-	-	-	(5.2)	-	-	(0.4)	-	-	-	-	-
Adjusted EBITDA	\$ 5.2	\$ 5.6	\$ 3.1	\$ (2.9)	\$ 6.2	\$ (9.4)	\$ (28.5)	\$ (14.6)	\$ (29.5)	\$ (27.3)	\$ (23.2)	\$ (25.4)

(In millions)	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Income (loss) before taxes	\$ (4.4)	\$ (4.0)	\$ (14.7)	\$ (27.8)	\$ (5.5)	\$ (6.2)	\$ 0.2	\$ 1.7	\$ 2.1	\$ (14.5)
Non-floor plan interest	0.3	0.3	0.3	0.4	0.5	0.4	0.5	0.4	0.5	0.4
Depreciation and amortization	1.3	1.3	1.7	1.9	2.0	2.2	2.4	2.7	2.7	2.8
Stock-based compensation expense	-	-	-	-	-	-	-	-	-	-
Loss (gain) on exit of leased dealerships	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	0.1	-	-	1.5	1.9	-	1.1	16.6
Loss (gain) on debt extinguishment	-	-	-	-	-	-	-	-	-	-
Long-term compensation charges	-	-	-	-	-	-	-	-	-	-
Acquisition and disposition-related (gain) loss	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	\$ (2.8)	\$ (1.1)	\$ (3.4)	\$ (2.2)	\$ (3.0)	\$ (2.1)	\$ 5.0	\$ 4.8	\$ 6.4	\$ 5.3





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