
**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): October 26, 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 October 26, 2023, Sonic Automotive, Inc. (the “Company”) issued a press release announcing its financial results for its fiscal third quarter ended September 30, 2023 (the “Earnings Press Release”). A copy of the Earnings Press Release is attached hereto as Exhibit 99.1 and a copy of the earnings call presentation materials is attached hereto as Exhibit 99.2.

Item 7.01. Regulation FD Disclosure.

On October 26, 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 October 26, 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.

SONIC AUTOMOTIVE, INC.

October 26, 2023

By: /s/ STEPHEN K. COSS

Stephen K. Coss

Senior Vice President and General Counsel

Sonic Automotive Reports Record Third Quarter Revenues

Strategic Adjustments to EchoPark Business Drove Improvements in EchoPark Segment Unit Sales Volume and Profitability in the Third Quarter

Repurchased 1.7 Million Shares of Class A Common Stock During the Third Quarter

CHARLOTTE, N.C. – October 26, 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 third quarter ended September 30, 2023.

Third Quarter 2023 Financial Summary

- Record third quarter revenues of \$3.6 billion, up 6% year-over-year; gross profit of \$582.2 million, flat year-over-year
- Reported third quarter net income of \$68.4 million, down 22% year-over-year (\$1.92 earnings per diluted share, down 14% year-over-year)
 - Adjusted third quarter net income* was \$72.0 million, down 18% year-over-year (\$2.02 adjusted earnings per diluted share*, down 9% year-over-year)
- Reported selling, general and administrative (“SG&A”) expenses as a percentage of gross profit of 70.4% (66.5% on a Franchised Dealerships Segment basis)
 - Adjusted SG&A expenses as a percentage of gross profit* of 69.5%
- EchoPark Segment revenues of \$626.7 million, up 6% year-over-year; all-time record quarterly EchoPark Segment gross profit of \$52.8 million, up 22% year-over-year; EchoPark Segment retail used vehicle unit sales volume of 19,050, up 25% year-over-year
- Reported EchoPark Segment loss of \$16.9 million, adjusted EchoPark Segment loss* of \$12.1 million, and EchoPark Segment adjusted EBITDA* loss of \$5.2 million
 - Reiterate previously issued guidance of an expected return to breakeven EchoPark Segment adjusted EBITDA* in the first quarter of 2024
- During the third quarter, Sonic repurchased approximately 1.7 million shares of its Class A Common Stock for an aggregate purchase price of approximately \$86.7 million, totaling approximately 3.3 million shares repurchased year-to-date, or 9% of shares outstanding at December 31, 2022
- Sonic’s Board of Directors approved a 3.4% increase to the Company’s quarterly cash dividend, to \$0.30 per share, payable on January 12, 2024 to all stockholders of record on December 15, 2023

* Represents a non-GAAP financial measure - please refer to the discussion and reconciliation of non-GAAP financial measures below.

Management Commentary

David Smith, Chairman and Chief Executive Officer of Sonic Automotive, stated, “We are proud of our team’s performance in the third quarter, delivering financial results that reflect our ability to leverage our diversified business model to adapt to changing market

dynamics. During the quarter, we realized the expected initial benefits of the strategic adjustments to our EchoPark business model, which combined with our growing powersports platform, provided sequential earnings growth to help offset margin normalization in the franchised dealership segment. We remain confident that we have the right strategy, the right people, and the right culture to continue to grow our business and create long-term value for our stakeholders.”

Jeff Dyke, President of Sonic Automotive, commented, “While consumer affordability and used vehicle sourcing continue to be a challenge, the substantial improvement in our EchoPark results in the third quarter demonstrate our team's valuable industry experience and the adaptability of our innovative EchoPark model. As we expected, despite reducing our EchoPark store footprint by 50%, in the third quarter we retailed 12% more vehicles than the second quarter and reduced our EchoPark adjusted EBITDA loss to \$5.2 million, compared to a \$31.8 million adjusted EBITDA loss in the second quarter of 2023. Based on recent market trends, we remain confident in our path to breakeven EchoPark segment adjusted EBITDA in the first quarter of 2024, and expect to resume our disciplined long-term growth plans for EchoPark as used vehicle market conditions continue to improve.”

Heath Byrd, Chief Financial Officer of Sonic Automotive, added, “Our diversified cash flow streams continued to benefit our overall financial position in the third quarter, while allowing us to return capital to our stockholders via share repurchases and an increase to our quarterly dividend. As of September 30, 2023, we had \$797 million of liquidity, including \$335 million in cash and floor plan deposits on hand. Heading into what is historically a seasonally strong fourth quarter for Sonic, we believe we remain well-positioned to adapt to evolving market conditions and position the Company for success in 2024 and beyond.”

Third Quarter 2023 Segment Highlights

The financial measures discussed below are results for the third quarter of 2023 with comparisons made to the third quarter of 2022, unless otherwise noted.

- Franchised Dealerships Segment operating results include:
 - Same store revenues up 5%; same store gross profit down 3%
 - Same store retail new vehicle unit sales volume up 12%; same store retail new vehicle gross profit per unit down 30%, to \$4,678
 - Same store retail used vehicle unit sales volume down 3%; same store retail used vehicle gross profit per unit down 2%, to \$1,668
 - Same store parts, service and collision repair (“Fixed Operations”) gross profit up 8%; same store customer pay gross profit up 10%; same store warranty gross profit up 8%; same store Fixed Operations gross profit margin up 10 basis points, to 49.7%
 - Same store finance and insurance (“F&I”) gross profit up 3%; same store F&I gross profit per retail unit of \$2,407, down 5%
 - On a trailing quarter cost of sales basis, the Franchised Dealerships Segment had 33 days’ supply of new vehicle inventory (including in-transit) and 28 days’ supply of used vehicle inventory
 - EchoPark Segment operating results include:
 - Revenues of \$626.7 million, up 6%; gross profit of \$52.8 million, up 22%
 - Retail used vehicle unit sales volume of 19,050, up 25%
 - Reported segment loss of \$16.9 million, adjusted segment loss* of \$12.1 million, and adjusted EBITDA* loss of \$5.2 million
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- Reported segment loss includes \$6.7 million loss related to the closed EchoPark stores (closed EchoPark stores represent a \$1.9 million loss on an adjusted segment loss* basis and a \$2.2 million loss on an adjusted EBITDA* basis)
- Expect ongoing expenses associated with the closed EchoPark stores of approximately \$1.5 million to \$2.0 million per quarter (excluding any amounts related to potential future exits of leased or owned properties)
- Retail used vehicle unit sales volume was comprised of 85% 1-4-year-old vehicles and 15% 5-plus-year-old vehicles, with 20% of retail used vehicle unit sales volume sourced from non-auction sources
- On a trailing quarter cost of sales basis, the EchoPark Segment had 37 days' supply of used vehicle inventory
- Powersports Segment operating results include:
 - Revenues of \$57.0 million, gross profit of \$20.8 million, gross profit margin of 36.5%
 - Segment income of \$6.6 million and adjusted EBITDA* of \$7.9 million
 - Year-over-year comparative financial results are not meaningful due to the timing of acquisitions (seven stores acquired in August 2022 and five stores acquired in February 2023)

* Represents a non-GAAP financial measure - 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 \$0.30 per share, payable on January 12, 2024 to all stockholders of record on December 15, 2023.

Third Quarter 2023 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 Third Quarter 2023 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 diversified automotive retail 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 and powersports retailers in America, we are committed to delivering on this goal while pursuing expansive growth and taking progressive measures to be the leader in these categories. Our new platforms, programs, and people are set to drive the next generation of automotive and powersports 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 most comprehensive retailers of nearly new pre-owned vehicles in America today. Our unique business model offers a best-in-class shopping and utilizes 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 among the top national pre-owned vehicle retailers in products, sales, and service, while receiving the 2023 Consumer Satisfaction Award from DealerRater. 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 anticipated future EchoPark profitability, anticipated future EchoPark adjusted EBITDA, and anticipated future expenses related to closed locations. 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, 2022 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, adjusted segment loss, 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 September 30,		Better / (Worse) % Change	Nine Months Ended September 30,		Better / (Worse) % Change
	2023	2022		2023	2022	
(In millions, except per share amounts)						
Revenues:						
Retail new vehicles	\$ 1,573.5	\$ 1,371.8	15 %	\$ 4,624.4	\$ 4,067.4	14 %
Fleet new vehicles	23.2	32.0	(28) %	70.4	70.0	1 %
Total new vehicles	1,596.7	1,403.8	14 %	4,694.8	4,137.4	13 %
Used vehicles	1,340.4	1,355.8	(1) %	3,991.2	4,174.4	(4) %
Wholesale vehicles	79.3	114.7	(31) %	256.3	404.8	(37) %
Total vehicles	3,016.4	2,874.3	5 %	8,942.3	8,716.6	3 %
Parts, service and collision repair	453.4	408.2	11 %	1,327.6	1,188.6	12 %
Finance, insurance and other, net	173.7	165.6	5 %	517.7	505.3	2 %
Total revenues	3,643.5	3,448.1	6 %	10,787.6	10,410.5	4 %
Cost of sales:						
Retail new vehicles	(1,442.1)	(1,209.6)	(19) %	(4,213.5)	(3,569.2)	(18) %
Fleet new vehicles	(22.3)	(30.7)	27 %	(67.3)	(66.9)	(1) %
Total new vehicles	(1,464.4)	(1,240.3)	(18) %	(4,280.8)	(3,636.1)	(18) %
Used vehicles	(1,288.1)	(1,304.9)	1 %	(3,877.4)	(4,029.1)	4 %
Wholesale vehicles	(80.7)	(116.8)	31 %	(255.8)	(404.2)	37 %
Total vehicles	(2,833.2)	(2,662.0)	(6) %	(8,414.0)	(8,069.4)	(4) %
Parts, service and collision repair	(282.1)	(205.4)	(11) %	(669.0)	(600.2)	(11) %
Total cost of sales	(3,061.3)	(2,867.4)	(7) %	(9,083.0)	(8,669.6)	(5) %
Gross profit	582.2	580.7	— %	1,704.6	1,740.9	(2) %
Selling, general and administrative expenses	(409.6)	(399.0)	(3) %	(1,214.2)	(1,188.8)	(2) %
Impairment charges	—	—	— %	(62.6)	—	(100) %
Depreciation and amortization	(35.2)	(32.8)	(7) %	(105.7)	(94.0)	(12) %
Operating income (loss)	137.4	148.9	(8) %	322.1	458.1	(30) %
Other income (expense):						
Interest expense, floor plan	(17.4)	(9.6)	(81) %	(48.9)	(20.6)	(137) %
Interest expense, other, net	(29.0)	(22.9)	(27) %	(86.2)	(65.1)	(32) %
Other income (expense), net	0.2	—	100 %	0.3	0.1	200 %
Total other income (expense)	(46.2)	(32.5)	(42) %	(134.8)	(85.6)	(57) %
Income (loss) before taxes	91.2	116.4	(22) %	187.3	372.5	(50) %
Provision for income taxes - benefit (expense)	(22.8)	(29.1)	22 %	(47.8)	(93.1)	49 %
Net income (loss)	\$ 68.4	\$ 87.3	(22) %	\$ 139.5	\$ 279.4	(50) %
Basic earnings (loss) per common share	\$ 1.96	\$ 2.28	(14) %	\$ 3.94	\$ 7.09	(44) %
Basic weighted-average common shares outstanding	34.9	38.3	9 %	35.4	39.4	10 %
Diluted earnings (loss) per common share	\$ 1.92	\$ 2.23	(14) %	\$ 3.85	\$ 6.90	(44) %
Diluted weighted-average common shares outstanding	35.6	39.2	9 %	36.2	40.5	11 %
Dividends declared per common share	\$ 0.30	\$ 0.25	20 %	\$ 0.86	\$ 0.62	39 %

Franchised Dealerships Segment - Reported

	Three Months Ended September 30,		Better / (Worse) % Change	Nine Months Ended September 30,		Better / (Worse) % Change
	2023	2022		2023	2022	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 1,546.7	\$ 1,359.6	14 %	\$ 4,550.9	\$ 4,047.1	12 %
Fleet new vehicles	23.2	32.0	(28) %	70.4	70.0	1 %
Total new vehicles	1,569.9	1,391.6	13 %	4,621.3	4,117.1	12 %
Used vehicles	780.7	842.4	(7) %	2,322.8	2,568.1	(10) %
Wholesale vehicles	51.4	75.8	(32) %	165.3	261.2	(37) %
Total vehicles	2,402.0	2,309.8	4 %	7,109.4	6,946.4	2 %
Parts, service and collision repair	431.8	404.7	7 %	1,289.0	1,183.4	9 %
Finance, insurance and other, net	126.0	125.8	— %	375.4	382.1	(2) %
Total revenues	2,959.8	2,840.3	4 %	8,773.8	8,511.9	3 %
Gross Profit:						
Retail new vehicles	125.5	160.7	(22) %	396.5	494.5	(20) %
Fleet new vehicles	0.9	1.3	(31) %	3.1	3.1	— %
Total new vehicles	126.4	162.0	(22) %	399.6	497.6	(20) %
Used vehicles	42.6	45.4	(6) %	127.9	136.0	(6) %
Wholesale vehicles	(1.5)	(2.1)	29 %	(0.8)	(3.0)	73 %
Total vehicles	167.5	205.3	(18) %	526.7	630.6	(16) %
Parts, service and collision repair	215.1	201.0	7 %	640.1	585.7	9 %
Finance, insurance and other, net	126.0	125.8	— %	375.4	382.1	(2) %
Total gross profit	508.6	532.1	(4) %	1,542.2	1,598.4	(4) %
Selling, general and administrative expenses	(338.3)	(332.0)	(2) %	(985.5)	(974.9)	(1) %
Depreciation and amortization	(28.2)	(25.8)	(9) %	(82.8)	(75.8)	(9) %
Operating income (loss)	142.1	174.3	(18) %	473.9	547.7	(13) %
Other income (expense):						
Interest expense, floor plan	(12.9)	(6.6)	(95) %	(34.7)	(13.9)	(150) %
Interest expense, other, net	(27.9)	(21.4)	(30) %	(82.2)	(61.7)	(33) %
Other income (expense), net	0.2	—	100 %	0.2	0.1	100 %
Total other income (expense)	(40.6)	(28.0)	(45) %	(116.7)	(75.5)	(55) %
Income (loss) before taxes	101.5	146.3	(31) %	357.2	472.2	(24) %
Add: Impairment charges	—	—	— %	—	—	— %
Segment income (loss)	\$ 101.5	\$ 146.3	(31) %	\$ 357.2	\$ 472.2	(24) %
Unit Sales Volume:						
Retail new vehicles	26,869	24,241	11 %	78,766	73,185	8 %
Fleet new vehicles	469	672	(30) %	1,500	1,454	3 %
Total new vehicles	27,338	24,913	10 %	80,266	74,639	8 %
Used vehicles	25,541	26,647	(4) %	75,845	81,881	(7) %
Wholesale vehicles	5,163	5,813	(11) %	16,162	18,436	(12) %
Retail new & used vehicles	52,410	50,888	3 %	154,611	155,066	— %
Used-to-New Ratio	0.95	1.10	(14) %	0.96	1.12	(14) %
Gross Profit Per Unit:						
Retail new vehicles	\$ 4,672	\$ 6,627	(30) %	\$ 5,034	\$ 6,757	(25) %
Fleet new vehicles	\$ 2,046	\$ 1,955	5 %	\$ 2,059	\$ 2,132	(3) %
New vehicles	\$ 4,627	\$ 6,501	(29) %	\$ 4,978	\$ 6,667	(25) %
Used vehicles	\$ 1,666	\$ 1,704	(2) %	\$ 1,685	\$ 1,661	1 %
Finance, insurance and other, net	\$ 2,403	\$ 2,473	(3) %	\$ 2,428	\$ 2,464	(1) %

NM = Not Meaningful

Franchised Dealerships Segment - Same Store

	Three Months Ended September 30,		Better / (Worse) % Change	Nine Months Ended September 30,		Better / (Worse) % Change
	2023	2022		2023	2022	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 1,538.1	\$ 1,341.9	15 %	\$ 4,491.8	\$ 3,995.7	12 %
Fleet new vehicles	23.2	32.0	(28) %	70.4	70.0	1 %
Total new vehicles	1,561.3	1,373.9	14 %	4,562.2	4,065.7	12 %
Used vehicles	775.4	829.2	(6) %	2,288.8	2,524.3	(9) %
Wholesale vehicles	51.3	75.1	(32) %	163.3	258.2	(37) %
Total vehicles	2,388.0	2,278.2	5 %	7,014.3	6,848.2	2 %
Parts, service and collision repair	429.2	399.0	8 %	1,272.7	1,166.9	9 %
Finance, insurance and other, net	125.4	122.2	3 %	370.9	369.7	— %
Total revenues	2,942.6	2,799.4	5 %	8,657.9	8,384.8	3 %
Gross Profit:						
Retail new vehicles	125.0	158.8	(21) %	392.2	488.8	(20) %
Fleet new vehicles	1.0	1.3	(23) %	3.1	3.1	— %
Total new vehicles	126.0	160.1	(21) %	395.3	491.9	(20) %
Used vehicles	42.3	44.5	(5) %	126.4	133.5	(5) %
Wholesale vehicles	(1.4)	(1.9)	26 %	—	(2.5)	100 %
Total vehicles	166.9	202.7	(18) %	521.7	622.9	(16) %
Parts, service and collision repair	213.4	198.0	8 %	630.9	577.1	9 %
Finance, insurance and other, net	125.4	122.2	3 %	370.9	369.7	— %
Total gross profit	\$ 505.7	\$ 522.9	(3) %	\$ 1,523.5	\$ 1,569.7	(3) %
Unit Sales Volume:						
Retail new vehicles	26,727	23,816	12 %	77,567	71,986	8 %
Fleet new vehicles	469	672	(30) %	1,500	1,454	3 %
Total new vehicles	27,196	24,488	11 %	79,067	73,440	8 %
Used vehicles	25,371	26,122	(3) %	74,631	80,221	(7) %
Wholesale vehicles	5,131	5,738	(11) %	15,921	18,164	(12) %
Retail new & used vehicles	52,098	49,938	4 %	152,198	152,207	— %
Used-to-New Ratio	0.95	1.10	(13) %	0.96	1.11	(14) %
Gross Profit Per Unit:						
Retail new vehicles	\$ 4,678	\$ 6,666	(30) %	\$ 5,056	\$ 6,790	(26) %
Fleet new vehicles	\$ 2,046	\$ 1,955	5 %	\$ 2,059	\$ 2,132	(3) %
New vehicles	\$ 4,633	\$ 6,537	(29) %	\$ 5,000	\$ 6,698	(25) %
Used vehicles	\$ 1,668	\$ 1,704	(2) %	\$ 1,694	\$ 1,664	2 %
Finance, insurance and other, net	\$ 2,407	\$ 2,525	(5) %	\$ 2,437	\$ 2,429	— %

NM = Not Meaningful

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 September 30,		Better / (Worse) % Change	Nine Months Ended September 30,		Better / (Worse) % Change
	2023	2022		2023	2022	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ —	\$ 1.6	(100) %	\$ 1.0	\$ 7.3	(86) %
Used vehicles	554.8	511.4	9 %	1,651.3	1,601.3	3 %
Wholesale vehicles	26.6	38.9	(32) %	89.1	143.3	(38) %
Total vehicles	581.4	551.9	5 %	1,741.4	1,751.9	(1) %
Finance, insurance and other, net	45.3	38.9	17 %	136.4	121.8	12 %
Total revenues	626.7	590.8	6 %	1,877.8	1,873.7	— %
Gross Profit:						
Retail new vehicles	—	(0.6)	100 %	0.1	1.0	(90) %
Used vehicles	7.3	4.9	49 %	(18.8)	7.9	(338) %
Wholesale vehicles	0.2	—	100 %	1.3	3.6	(64) %
Total vehicles	7.5	4.3	74 %	(17.4)	12.5	(239) %
Finance, insurance and other, net	45.3	38.9	17 %	136.4	121.8	12 %
Total gross profit	52.8	43.2	22 %	119.0	134.3	(11) %
Selling, general and administrative expenses	(58.6)	(63.4)	8 %	(199.0)	(207.5)	4 %
Impairment charges	—	—	— %	(62.6)	—	(100) %
Depreciation and amortization	(6.1)	(6.8)	10 %	(20.4)	(17.7)	(15) %
Operating income (loss)	(11.9)	(27.0)	56 %	(163.0)	(90.9)	(79) %
Other income (expense):						
Interest expense, floor plan	(4.3)	(3.0)	(43) %	(13.6)	(6.7)	(103) %
Interest expense, other, net	(0.7)	(1.1)	36 %	(2.5)	(3.0)	17 %
Total other income (expense)	(5.0)	(4.1)	(22) %	(16.1)	(9.7)	(66) %
Income (loss) before taxes	(16.9)	(31.1)	46 %	(179.1)	(100.6)	(78) %
Add: Impairment charges	—	—	— %	62.6	—	100 %
Segment income (loss)	\$ (16.9)	\$ (31.1)	46 %	\$ (116.5)	\$ (100.6)	(16) %
Unit Sales Volume:						
Retail new vehicles	—	45	(100) %	11	126	(91) %
Used vehicles	19,050	15,245	25 %	56,114	46,672	20 %
Wholesale vehicles	2,740	2,449	12 %	8,891	8,792	1 %
Gross Profit Per Unit:						
Total used vehicle and F&I	\$ 2,767	\$ 2,868	(4) %	\$ 2,095	\$ 2,775	(25) %

NM = Not Meaningful

EchoPark Segment - Same Market

	Three Months Ended September 30,		Better / (Worse) % Change	Nine Months Ended September 30,		Better / (Worse) % Change
	2023	2022		2023	2022	
(In millions, except unit and per unit data)						
Revenues:						
Used vehicles	\$ 469.9	\$ 268.0	75 %	\$ 1,274.1	\$ 818.6	56 %
Wholesale vehicles	16.0	14.8	8 %	56.4	73.0	(23) %
Total vehicles	486.0	282.8	72 %	1,330.5	891.6	49 %
Finance, insurance and other, net	41.7	22.8	83 %	114.9	70.0	64 %
Total revenues	527.7	305.6	73 %	1,445.4	961.6	50 %
Gross Profit:						
Used vehicles	5.0	(2.0)	350 %	(4.3)	(13.7)	69 %
Wholesale vehicles	—	(0.1)	100 %	1.1	2.0	(45) %
Total vehicles	5.0	(2.1)	338 %	(3.2)	(11.7)	73 %
Finance, insurance and other, net	41.7	22.8	83 %	114.9	70.0	64 %
Total gross profit	\$ 46.7	\$ 20.7	126 %	\$ 111.7	\$ 58.3	92 %
Unit Sales Volume:						
Used vehicles	17,480	9,412	86 %	46,997	27,911	68 %
Wholesale vehicles	2,305	1,495	54 %	7,010	5,828	20 %
Gross Profit Per Unit:						
Total used vehicle and F&I	\$ 2,672	\$ 2,209	21 %	\$ 2,352	\$ 2,015	17 %

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 September 30,		Better / (Worse) % Change	Nine Months Ended September 30,		Better / (Worse) % Change
	2023	2022		2023	2022	
(In millions, except unit and per unit data)						
Revenues:						
Retail new vehicles	\$ 26.8	\$ 10.6	153 %	\$ 72.5	\$ 13.0	458 %
Used vehicles	4.9	2.0	145 %	17.1	5.0	242 %
Wholesale vehicles	1.3	—	100 %	1.9	0.3	533 %
Total vehicles	33.0	12.6	162 %	91.5	18.3	400 %
Parts, service and collision repair	21.6	3.5	517 %	38.6	5.2	642 %
Finance, insurance and other, net	2.4	0.9	167 %	5.9	1.4	321 %
Total revenues	57.0	17.0	235 %	136.0	24.9	446 %
Gross Profit:						
Retail new vehicles	5.9	2.1	181 %	14.3	2.7	430 %
Used vehicles	2.4	0.6	300 %	4.7	1.4	236 %
Wholesale vehicles	(0.1)	—	(100) %	—	—	— %
Total vehicles	8.2	2.7	204 %	19.0	4.1	363 %
Parts, service and collision repair	10.2	1.8	467 %	18.5	2.7	585 %
Finance, insurance and other, net	2.4	0.9	167 %	5.9	1.4	321 %
Total gross profit	20.8	5.4	285 %	43.4	8.2	429 %
Selling, general and administrative expenses	(12.7)	(3.6)	(253) %	(29.7)	(6.4)	(364) %
Depreciation and amortization	(0.9)	(0.2)	(350) %	(2.5)	(0.5)	(400) %
Operating income (loss)	7.2	1.6	350 %	11.2	1.3	762 %
Other income (expense):						
Interest expense, floor plan	(0.2)	—	100 %	(0.6)	—	100 %
Interest expense, other, net	(0.4)	(0.4)	— %	(1.5)	(0.4)	(275) %
Other income (expense), net	—	—	— %	0.1	—	(100) %
Total other income (expense)	(0.6)	(0.4)	(50) %	(2.0)	(0.4)	(400) %
Income (loss) before taxes	6.6	1.2	450 %	9.2	0.9	NM
Add: Impairment charges	—	—	— %	—	—	— %
Segment income (loss)	\$ 6.6	\$ 1.2	450 %	\$ 9.2	\$ 0.9	NM
Unit Sales Volume:						
Retail new vehicles	1,391	490	184 %	3,894	579	573 %
Used vehicles	837	177	373 %	1,972	353	459 %
Wholesale vehicles	93	9	NM	150	29	NM
Gross Profit Per Unit:						
Retail new vehicles	\$ 4,213	\$ 4,304	(2) %	\$ 3,680	\$ 4,742	(22) %
Used vehicles	\$ 2,833	\$ 3,328	(15) %	\$ 2,407	\$ 3,677	(35) %
Finance, insurance and other, net	\$ 1,075	\$ 1,297	(17) %	\$ 1,006	\$ 1,445	(30) %

NM = Not Meaningful

Non-GAAP Reconciliation - Consolidated - SG&A Expenses

	Three Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 256.0	\$ 255.2	\$ (0.8)	— %
Advertising	22.5	21.1	(1.4)	(7) %
Rent	11.7	11.9	0.2	2 %
Other	119.4	110.8	(8.6)	(8) %
Total SG&A expenses	\$ 409.6	\$ 399.0	\$ (10.6)	(3) %
Adjustments:				
Lease exit charges	\$ (3.9)	\$ —		
Severance and long-term compensation charges	(0.9)	—		
Total SG&A adjustments	\$ (4.8)	\$ —		
Adjusted:				
Total adjusted SG&A expenses	\$ 404.8	\$ 399.0	\$ (5.8)	(1) %
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	44.0 %	43.9 %	(10) bps	
Advertising	3.9 %	3.6 %	(30) bps	
Rent	2.0 %	2.1 %	10 bps	
Other	20.5 %	19.1 %	(140) bps	
Total SG&A expenses as a % of gross profit	70.4 %	68.7 %	(170) bps	
Adjustments:				
Lease exit charges	(0.7)%	— %		
Severance and long-term compensation charges	(0.2)%	— %		
Total effect of adjustments	(0.9)%	— %		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	69.5 %	68.7 %	(80) bps	
Reported:				
Total gross profit	\$ 582.2	\$ 580.7	\$ 1.5	— %

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

	Nine Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 775.8	\$ 774.1	\$ (1.7)	— %
Advertising	71.4	72.8	1.4	2 %
Rent	34.5	38.3	3.8	10 %
Other	332.5	303.6	(28.9)	(10) %
Total SG&A expenses	<u>\$ 1,214.2</u>	<u>\$ 1,188.8</u>	<u>\$ (25.4)</u>	<u>(2) %</u>
Adjustments:				
Acquisition and disposition-related gain (loss)	\$ 20.7	\$ —		
Hail and storm damage charges	(1.9)	—		
Lease exit charges	(4.3)	—		
Severance and long-term compensation charges	(5.1)	(4.4)		
Total SG&A adjustments	<u>\$ 9.4</u>	<u>\$ (4.4)</u>		
Adjusted:				
Total adjusted SG&A expenses	<u>\$ 1,223.6</u>	<u>\$ 1,184.4</u>	<u>\$ (39.2)</u>	<u>(3) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	45.5 %	44.5 %	(100) bps	
Advertising	4.2 %	4.2 %	— bps	
Rent	2.0 %	2.2 %	20 bps	
Other	19.5 %	17.4 %	(210) bps	
Total SG&A expenses as a % of gross profit	<u>71.2 %</u>	<u>68.3 %</u>	<u>(290) bps</u>	
Adjustments:				
Acquisition and disposition-related gain (loss)	0.4 %	— %		
Hail and storm damage charges	— %	— %		
Lease exit charges	(0.1)%	— %		
Severance and long-term compensation charges	(0.1)%	(0.3)%		
Total effect of adjustments	0.2 %	(0.3)%		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>71.4 %</u>	<u>68.0 %</u>	<u>(340) bps</u>	
Reported:				
Total gross profit	\$ 1,704.6	\$ 1,740.9	\$ (36.3)	(2) %
Adjustments:				
Used vehicle inventory valuation adjustment	\$ 10.0	\$ —		
Total adjustments	<u>\$ 10.0</u>	<u>\$ —</u>		
Adjusted:				
Total adjusted gross profit	<u>\$ 1,714.6</u>	<u>\$ 1,740.9</u>	<u>\$ (26.3)</u>	<u>(2) %</u>

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

	Three Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 216.9	\$ 216.2	\$ (0.7)	— %
Advertising	11.0	10.5	(0.5)	(5) %
Rent	10.2	10.1	(0.1)	(1) %
Other	100.2	95.2	(5.0)	(5) %
Total SG&A expenses	<u>\$ 338.3</u>	<u>\$ 332.0</u>	<u>\$ (6.3)</u>	<u>(2) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	42.6 %	40.6 %	(200) bps	
Advertising	2.2 %	2.0 %	(20) bps	
Rent	2.0 %	1.9 %	(10) bps	
Other	19.7 %	17.9 %	(180) bps	
Total SG&A expenses as a % of gross profit	<u>66.5 %</u>	<u>62.4 %</u>	<u>(410) bps</u>	
Reported:				
Total gross profit	\$ 508.6	\$ 532.1	\$ (23.5)	(4) %

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

	Nine Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 649.7	\$ 657.2	\$ 7.5	1 %
Advertising	29.7	26.2	(3.5)	(13) %
Rent	29.8	31.9	2.1	7 %
Other	276.4	259.6	(16.8)	(6) %
Total SG&A expenses	<u>\$ 985.5</u>	<u>\$ 974.9</u>	<u>\$ (10.6)</u>	<u>(1) %</u>
Adjustments:				
Acquisition and disposition-related gain (loss)	\$ 20.9	\$ —		
Hail and storm damage charges	(1.9)	—		
Long-term compensation charges	—	(4.4)		
Total SG&A adjustments	<u>\$ 19.0</u>	<u>\$ (4.4)</u>		
Total adjusted SG&A expenses	<u>\$ 1,004.5</u>	<u>\$ 970.5</u>	<u>\$ (34.0)</u>	<u>(4) %</u>
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	42.1 %	41.1 %	(100) bps	
Advertising	1.9 %	1.6 %	(30) bps	
Rent	1.9 %	2.0 %	10 bps	
Other	18.0 %	16.3 %	(170) bps	
Total SG&A expenses as a % of gross profit	<u>63.9 %</u>	<u>61.0 %</u>	<u>(290) bps</u>	
Adjustments:				
Acquisition and disposition-related gain (loss)	1.3 %	— %		
Hail and storm damage charges	(0.1)%	— %		
Long-term compensation charges	— %	(0.3)%		
Total effect of adjustments	<u>1.2 %</u>	<u>(0.3)%</u>		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>65.1 %</u>	<u>60.7 %</u>	<u>(440) bps</u>	
Reported:				
Total gross profit	\$ 1,542.2	\$ 1,598.4	\$ (56.2)	(4) %

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

	Three Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 30.0	\$ 36.5	\$ 6.5	18 %
Advertising	10.9	10.4	(0.5)	(5)%
Rent	2.1	1.8	(0.3)	(17)%
Other	15.6	14.7	(0.9)	(6)%
Total SG&A expenses	<u>\$ 58.6</u>	<u>\$ 63.4</u>	<u>\$ 4.8</u>	8 %
Adjustments:				
Lease exit charges	\$ (3.9)	\$ —		
Severance charges	(0.9)	—		
Total SG&A adjustments	<u>\$ (4.8)</u>	<u>\$ —</u>		
Adjusted:				
Total adjusted SG&A expenses	<u>\$ 53.8</u>	<u>\$ 63.4</u>	<u>\$ 9.6</u>	15.1 %
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	56.9 %	84.4 %	NM	
Advertising	20.5 %	24.0 %	35 bps	
Rent	3.9 %	4.2 %	30 bps	
Other	29.8 %	34.2 %	440 bps	
Total SG&A expenses as a % of gross profit	<u>111.1 %</u>	<u>146.8 %</u>	<u>NM</u>	
Adjustments:				
Lease exit charges	(7.5)%	— %		
Severance charges	(1.7)%	— %		
Total effect of adjustments	<u>(9.2)%</u>	<u>— %</u>		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	<u>101.9 %</u>	<u>146.8 %</u>	<u>NM</u>	
Reported:				
Total gross profit	\$ 52.8	\$ 43.2	\$ 9.6	22 %

NM = Not Meaningful

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

	Nine Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 105.1	\$ 112.2	\$ 7.1	6 %
Advertising	40.3	46.4	6.1	13 %
Rent	5.3	6.2	0.9	15 %
Other	48.3	42.7	(5.6)	(13) %
Total SG&A expenses	\$ 199.0	\$ 207.5	\$ 8.5	4 %
Adjustments:				
Acquisition and disposition-related gain (loss)	\$ (0.3)	\$ —		
Lease exit charges	(4.3)	—		
Severance and long-term compensation charges	(5.1)	—		
Total SG&A adjustments	\$ (9.7)	\$ —		
Adjusted:				
Total adjusted SG&A expenses	\$ 189.3	\$ 207.5	\$ 18.2	8.8 %
Reported:				
SG&A expenses as a % of gross profit:				
Compensation	88.4 %	83.5 %	(490) bps	
Advertising	33.9 %	34.6 %	70 bps	
Rent	4.4 %	4.7 %	30 bps	
Other	40.5 %	31.7 %	(880) bps	
Total SG&A expenses as a % of gross profit	167.2 %	154.5 %	NM	
Adjustments:				
Acquisition and disposition-related gain (loss)	(0.6)%	— %		
Hail and storm damage charges	— %	— %		
Lease exit charges	(9.0)%	— %		
Severance and long-term compensation charges	(10.7)%	— %		
Total effect of adjustments	(20.4)%	— %		
Adjusted:				
Total adjusted SG&A expenses as a % of gross profit	146.8 %	154.5 %	NM	
Reported:				
Total gross profit	\$ 119.0	\$ 134.3	\$ (15.3)	(11) %
Adjustments:				
Used vehicle inventory valuation adjustment	\$ 10.0	\$ —		
Total adjustments	\$ 10.0	\$ —		
Adjusted:				
Total adjusted gross profit	\$ 129.0	\$ 134.3	\$ (5.3)	(4) %

NM = Not Meaningful

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

	Three Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 9.1	\$ 2.5	\$ (6.6)	(264)%
Advertising	0.6	0.2	(0.4)	(200)%
Rent	(0.6)	—	0.6	— %
Other	3.6	0.9	(2.7)	(300)%
Total SG&A expenses	<u>\$ 12.7</u>	<u>\$ 3.6</u>	<u>\$ (9.1)</u>	<u>(253)%</u>

Reported:				
SG&A expenses as a % of gross profit:				
Compensation	44.0 %	47.2 %	320 bps	
Advertising	2.9 %	3.1 %	20 bps	
Rent	(2.9)%	0.2 %	310 bps	
Other	17.1 %	15.7 %	(140) bps	
Total SG&A expenses as a % of gross profit	<u>61.1 %</u>	<u>66.2 %</u>	<u>510 bps</u>	

Reported:				
Total gross profit	\$ 20.8	\$ 5.4	\$ 15.4	285 %

NM = Not Meaningful

	Nine Months Ended September 30,		Better / (Worse)	
	2023	2022	Change	% Change
(In millions)				
Reported:				
Compensation	\$ 21.0	\$ 4.7	\$ (16.3)	(347)%
Advertising	1.4	0.2	(1.2)	(600)%
Rent	(0.6)	—	0.6	— %
Other	7.8	1.5	(6.3)	(420)%
Total SG&A expenses	<u>\$ 29.7</u>	<u>\$ 6.4</u>	<u>\$ (23.3)</u>	<u>(364)%</u>

Reported:				
SG&A expenses as a % of gross profit:				
Compensation	48.4 %	58.3 %	NM	
Advertising	3.2 %	2.8 %	(40) bps	
Rent	(1.2)%	0.1 %	130 bps	
Other	18.1 %	17.6 %	(50) bps	
Total SG&A expenses as a % of gross profit	<u>68.5 %</u>	<u>78.8 %</u>	<u>NM</u>	

Reported:				
Total gross profit	\$ 43.4	\$ 8.2	\$ 35.2	429 %

NM = Not Meaningful

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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
(In millions)						
Reported:						
Income (loss) before taxes	\$ 101.5	\$ 146.3	(31) %	\$ 357.2	\$ 472.2	(24) %
Add: Impairment charges	—	—		—	—	
Segment income (loss)	\$ 101.5	\$ 146.3	(31) %	\$ 357.2	\$ 472.2	(24) %
Adjustments:						
Acquisition and disposition-related (gain) loss	\$ —	\$ —		\$ (20.9)	\$ —	
Hail and storm damage charges	—	—		1.9	—	
Long-term compensation charges	—	—		—	4.4	
Total pre-tax adjustments	\$ —	\$ —		\$ (19.0)	\$ 4.4	
Adjusted:						
Segment income (loss)	\$ 101.5	\$ 146.3	(31) %	\$ 338.2	\$ 476.6	(29) %

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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
(In millions)						
Reported:						
Income (loss) before taxes	\$ (16.9)	\$ (31.1)	46 %	\$ (179.1)	\$ (100.6)	(78) %
Add: Impairment charges	—	—		62.6	—	
Segment income (loss)	\$ (16.9)	\$ (31.1)	46 %	\$ (116.5)	\$ (100.6)	(16) %
Adjustments:						
Acquisition and disposition-related (gain) loss	\$ —	\$ —		\$ 0.3	\$ —	
Lease exit charges	3.9	—		4.3	—	
Severance and long-term compensation charges	0.9	—		5.1	—	
Used vehicle inventory valuation adjustment	—	—		10.0	—	
Total pre-tax adjustments	\$ 4.8	\$ —		\$ 19.7	\$ —	
Adjusted:						
Segment income (loss)	\$ (12.1)	\$ (31.1)	61 %	\$ (96.8)	\$ (100.6)	4 %

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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
(In millions)						
Reported:						
Income (loss) before taxes	\$ 6.6	\$ 1.2	450 %	\$ 9.2	\$ 0.9	NM
Add: Impairment charges	—	—		—	—	
Segment income (loss)	\$ 6.6	\$ 1.2	450 %	\$ 9.2	\$ 0.9	NM

NM = Not Meaningful

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

	Three Months Ended September 30, 2023			Three Months Ended September 30, 2022		
	Weighted-Average Shares	Amount	Per Share Amount	Weighted-Average Shares	Amount	Per Share Amount
	(In millions, except per share amounts)					
Reported net income (loss), diluted shares, and diluted earnings (loss) per share	35.6	\$ 68.4	\$ 1.92	39.2	\$ 87.3	\$ 2.23
Adjustments:						
Lease exit charges		\$ 3.9			\$ —	
Severance and long-term compensation charges		0.9			—	
Total pre-tax items of interest		\$ 4.8			\$ —	
Tax effect of above items		(1.2)			—	
Adjusted net income (loss), diluted shares, and diluted earnings (loss) per share	35.6	\$ 72.0	\$ 2.02	39.2	\$ 87.3	\$ 2.23

	Nine Months Ended September 30, 2023			Nine Months Ended September 30, 2022		
	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	36.2	\$ 139.5	\$ 3.85	40.5	\$ 279.4	\$ 6.90
Adjustments:						
Acquisition and disposition-related gain (loss)		\$ (20.7)			\$ —	
Hail and storm damage charges		1.9			—	
Impairment charges		62.6			—	
Lease exit charges		4.3			—	
Severance and long-term compensation charges		5.1			4.4	
Used vehicle inventory valuation adjustment		10.0			—	
Total pre-tax items of interest		\$ 63.2			\$ 4.4	
Tax effect of above items		(15.6)			—	
Adjusted net income (loss), diluted shares, and diluted earnings (loss) per share	36.2	\$ 187.1	\$ 5.17	40.5	\$ 283.8	\$ 7.01

Non-GAAP Reconciliation - Adjusted EBITDA

	Three Months Ended September 30, 2023				Three Months Ended September 30, 2022			
	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total
	(In millions)							
Net income (loss)	\$ 68.4				\$ 87.3			
Provision for income taxes	22.8				29.1			
Income (loss) before taxes	\$ 101.5	\$ (16.9)	\$ 6.6	\$ 91.2	\$ 146.3	\$ (31.1)	\$ 1.2	\$ 116.4
Non-floor plan interest (1)	26.2	0.7	0.4	27.3	19.9	1.1	0.4	21.4
Depreciation and amortization (2)	29.9	6.1	0.9	36.9	27.3	6.7	0.3	34.3
Stock-based compensation expense	6.7	—	—	6.7	3.8	—	—	3.8
Loss (gain) on exit of leased dealerships	—	3.9	—	3.9	—	—	—	—
Severance and long-term compensation charges	—	0.9	—	0.9	—	—	—	—
Acquisition and disposition related (gain) loss	0.2	0.1	—	0.3	0.5	—	—	0.5
Adjusted EBITDA	<u>\$ 164.5</u>	<u>\$ (5.2)</u>	<u>\$ 7.9</u>	<u>\$ 167.2</u>	<u>\$ 197.8</u>	<u>\$ (23.3)</u>	<u>\$ 1.9</u>	<u>\$ 176.4</u>

	Nine Months Ended September 30, 2023				Nine Months Ended September 30, 2022			
	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total	Franchised Dealerships Segment	EchoPark Segment	Powersports Segment	Total
	(In millions)							
Net income (loss)	\$ 139.5				\$ 279.4			
Provision for income taxes	47.8				93.1			
Income (loss) before taxes	\$ 357.2	\$ (179.1)	\$ 9.2	\$ 187.3	\$ 472.2	\$ (100.6)	\$ 0.9	\$ 372.5
Non-floor plan interest (1)	77.4	2.5	1.6	81.5	58.0	3.0	0.2	61.2
Depreciation & amortization (2)	87.6	20.4	2.4	110.4	79.6	17.6	0.5	97.7
Stock-based compensation expense	17.3	—	—	17.3	12.4	—	—	12.4
Loss (gain) on exit of leased dealerships	—	4.3	—	4.3	—	—	—	—
Impairment charges	—	62.6	—	62.6	—	—	—	—
Severance and long-term compensation charges	—	5.1	—	5.1	4.4	—	—	4.4
Acquisition and disposition related (gain) loss	(20.7)	0.3	—	(20.4)	(0.5)	—	—	(0.5)
Hail and storm damage charges	1.9	—	—	1.9	—	—	—	—
Used vehicle inventory valuation adjustment	—	10.0	—	10.0	—	—	—	—
Adjusted EBITDA	<u>\$ 520.7</u>	<u>\$ (73.9)</u>	<u>\$ 13.2</u>	<u>\$ 460.0</u>	<u>\$ 626.1</u>	<u>\$ (80.0)</u>	<u>\$ 1.6</u>	<u>\$ 547.7</u>

- (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.

EchoPark
AUTOMOTIVE

Sonic
Automotive

Sonic
Powersports

Sonic Automotive

Investor Presentation
Third Quarter 2023



Updated October 26, 2023

→ Forward-Looking Statements

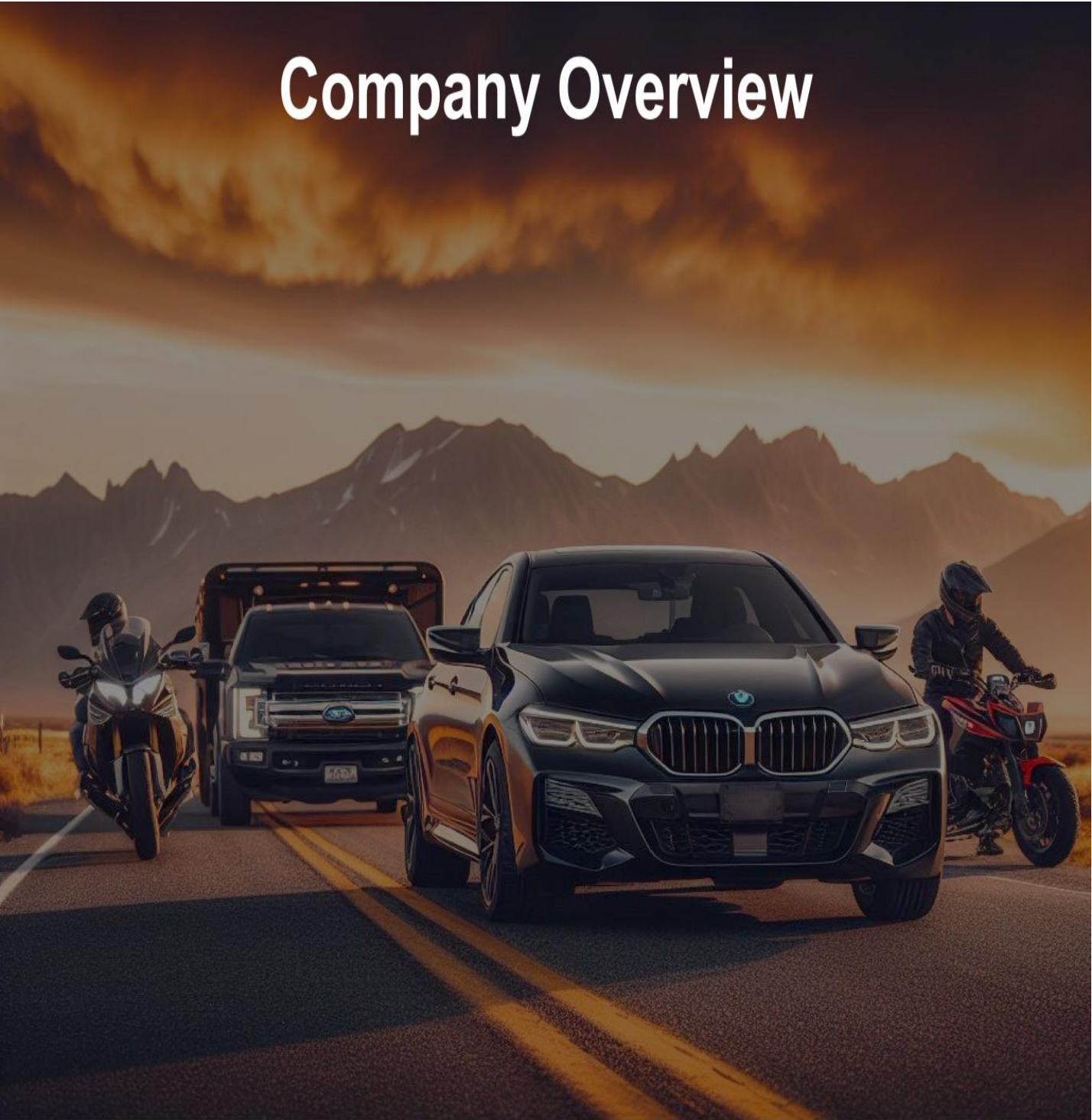
This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events, are not historical facts and are based on our current expectations and assumptions regarding our business, the economy and other 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, 2022 and other reports and information filed with the United States Securities and Exchange Commission (the “SEC”).

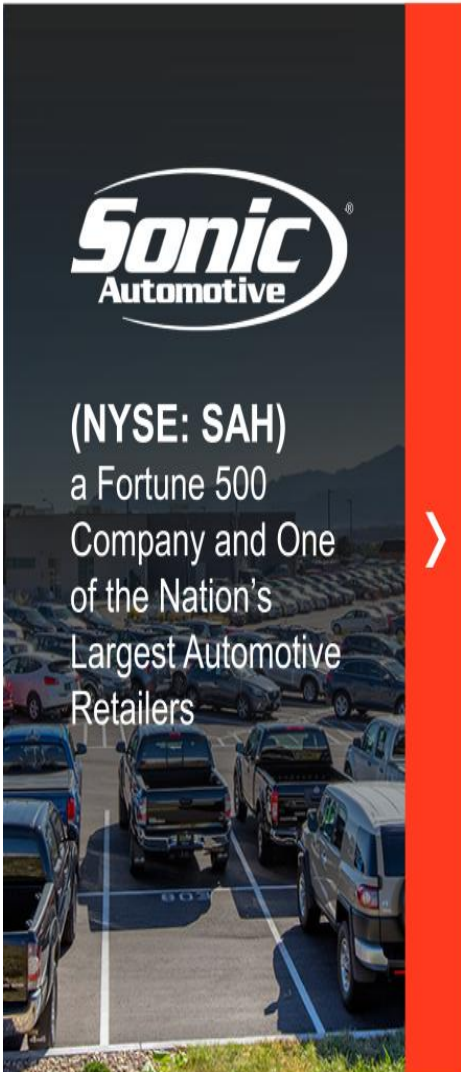
These forward-looking statements, risks, uncertainties and additional factors speak only as of the date of this presentation. We undertake no obligation to update any such statements, except as required under federal securities laws and the rules and regulations of the SEC.



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

146

Locations

20

States

25+

Automotive Brands

16

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 October 26, 2023
Revenues, Gross Profit, New & Used Vehicles Sold are for FY 2022



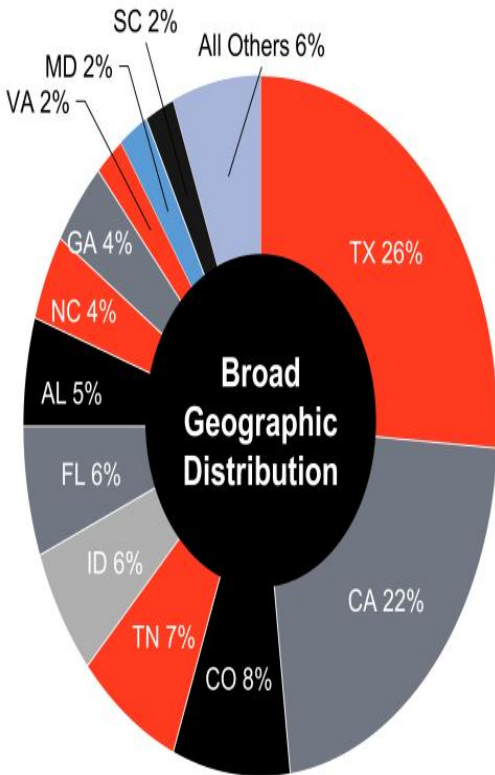
→ Investment Highlights



→ 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

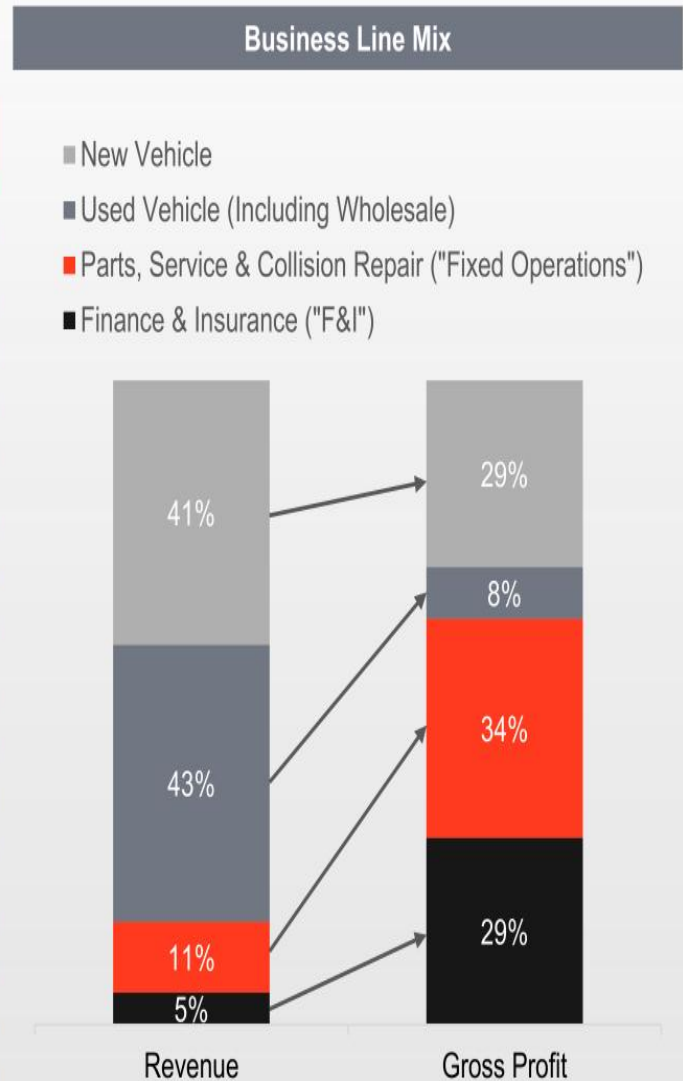


→ Revenue Composition – Diversified Revenue Streams

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%
		Chevrolet GMC Buick	5%
Domestic	13%	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**

Plan To Reach
**90% Of U.S.
Population**
At Maturity

Planned Nationwide Distribution
Network At Maturity

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



→ Strategic Focus



- Continued **Growth Opportunity** In Parts & Service, F&I Per Unit
 - Ongoing **Profitability Enhancement** Through SG&A Expense Control, Inventory Management
 - Pursue **Strategic Acquisition Opportunities** As Market Evolves
 - Utilize Existing Infrastructure To Support **Omnichannel Distribution Network**
- Focus On Guest Experience And eCommerce Opportunity To Drive Market Share Gains
 - Balanced Capital Allocation Strategy Prioritizes Highest Return on Investment
 - Return Of Capital To Shareholders Via Share Repurchase Program And Dividend
 - Further Diversify Business Model In Adjacent Sectors (Powersports)
- Targeting **Return To Breakeven Adjusted EBITDA** In Q1 2024
 - Growing **eCommerce Presence** Offers Scalable Incremental Reach
 - Addressable Market Opportunity Of **2 Million Vehicles** Annually At Maturity
 - Positioned To **Resume Expansion Of EchoPark Footprint** As Used Vehicle Market Conditions Improve

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



→ Strong Balance Sheet And Liquidity

	September 30, 2023	June 30, 2023	December 31, 2022
	(In Millions)		
Cash and cash equivalents	\$ 34.6	\$ 119.7	\$ 229.2
Floor plan deposit balance	300.0	287.0	272.0
Availability under the 2021 Revolving Credit Facility	288.9	289.0	292.9
Availability under the 2019 Mortgage Facility	173.0	173.0	-
Total available liquidity resources	\$ 796.5	\$ 868.7	\$ 794.1

Cash On Hand And Total Liquidity Remain At Target Levels

	Covenant Requirement*	September 30, 2023	June 30, 2023	December 31, 2022
Liquidity ratio	≥ 1.05	1.27	1.30	1.38
Fixed charge coverage ratio	≥ 1.20	1.60	1.62	1.87
Total lease adjusted leverage ratio	≤ 5.75	2.87	2.72	2.31
Net debt to Adjusted EBITDA ratio ⁽¹⁾		2.15	2.01	1.69

Leverage Ratios Remain Within Our Internal Target Range

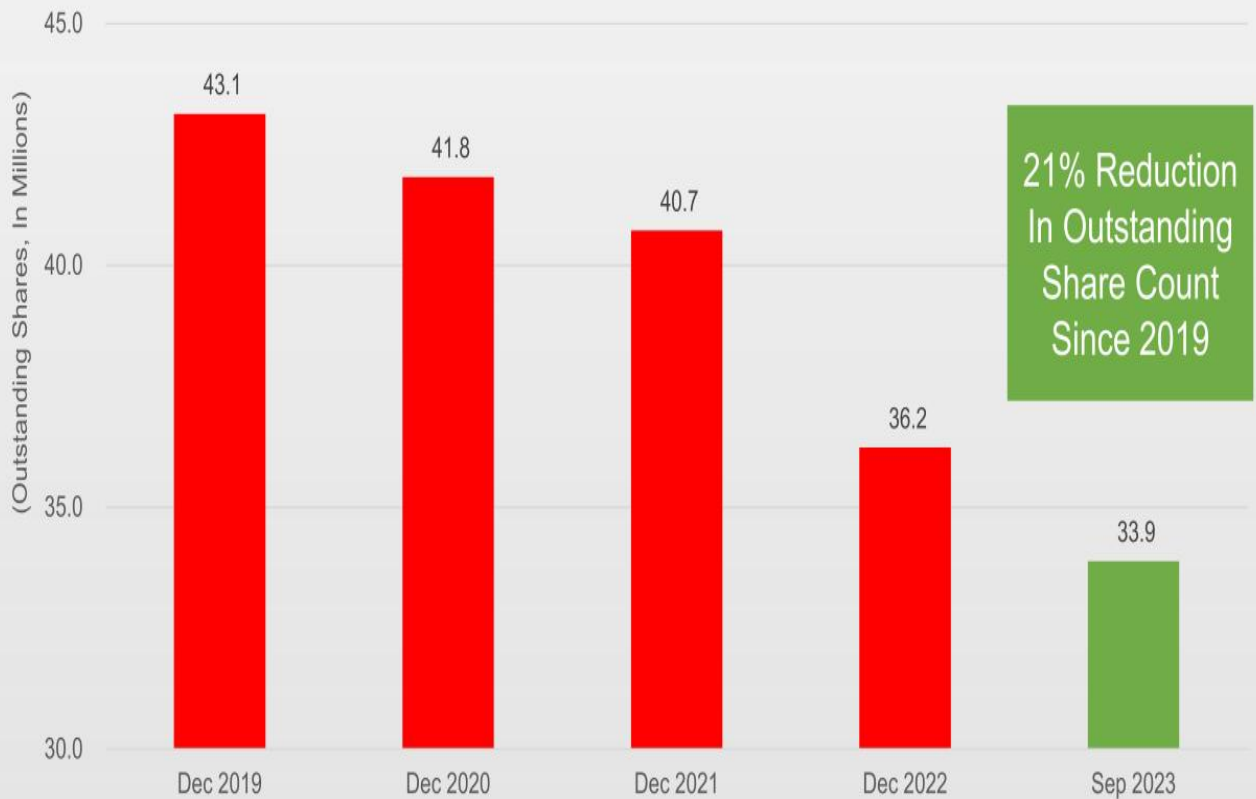
(1) Refer To Appendix For Calculation And Reconciliation of Adjusted EBITDA (A Non-GAAP Measure) and Net Debt To Adjusted EBITDA Ratio (A Non-GAAP Measure)
* As Defined In The 2021 Revolving Credit Facility and 2019 Mortgage Facility



→ Share Repurchase Update

(\$ in Millions)

Share Repurchase Authorization Remaining at December 31, 2022	\$ 464.3
Q1 2023 Repurchase Activity	(90.7)
Q2 2023 Repurchase Activity	-
Q3 2023 Repurchase Activity	(86.8)
Remaining Authorization	<u>\$ 286.8</u>



Franchised Dealerships



→ Franchised Dealerships

Stable Business With Organic And Acquisition Growth Opportunities



108 Franchised Dealerships



25+ Brands, Luxury Weighted

Diversified Revenue Streams

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



16 Collision Repair Centers



18 States

Resilient And Flexible Business Model Through Economic Cycles



Sonic
Automotive



→ Franchised Dealerships – Geographic Footprint



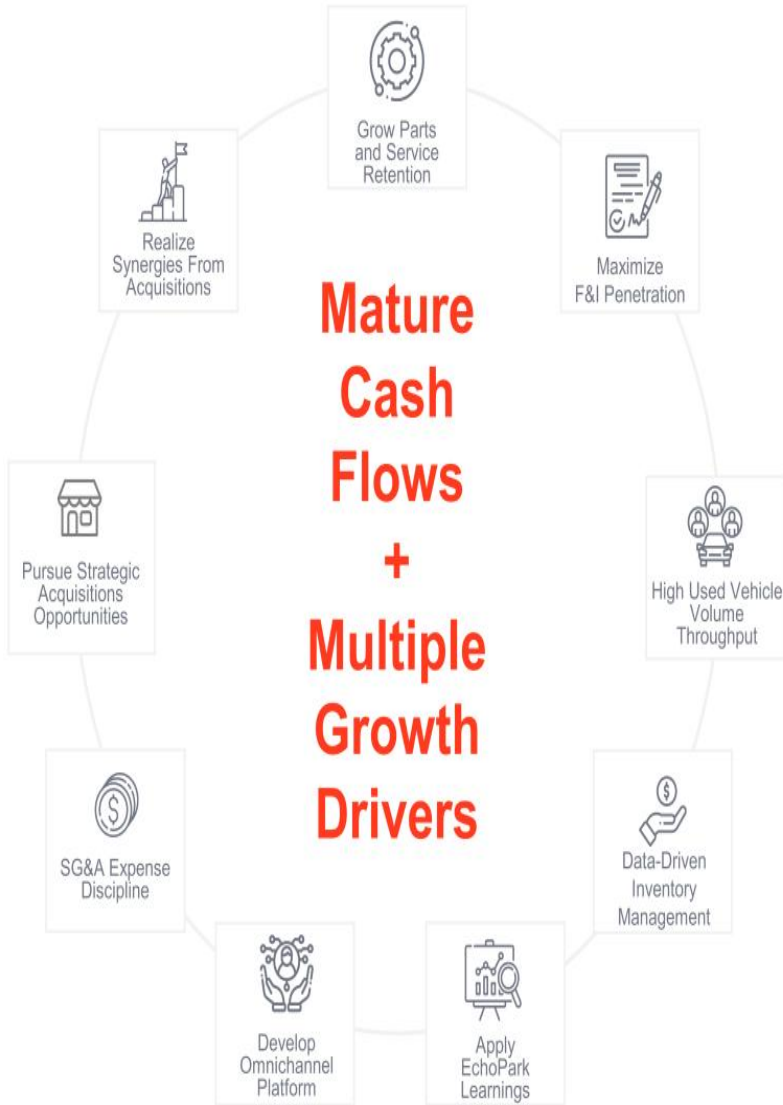
108 Stores, 25+ Brands,
16 Collision Repair Centers



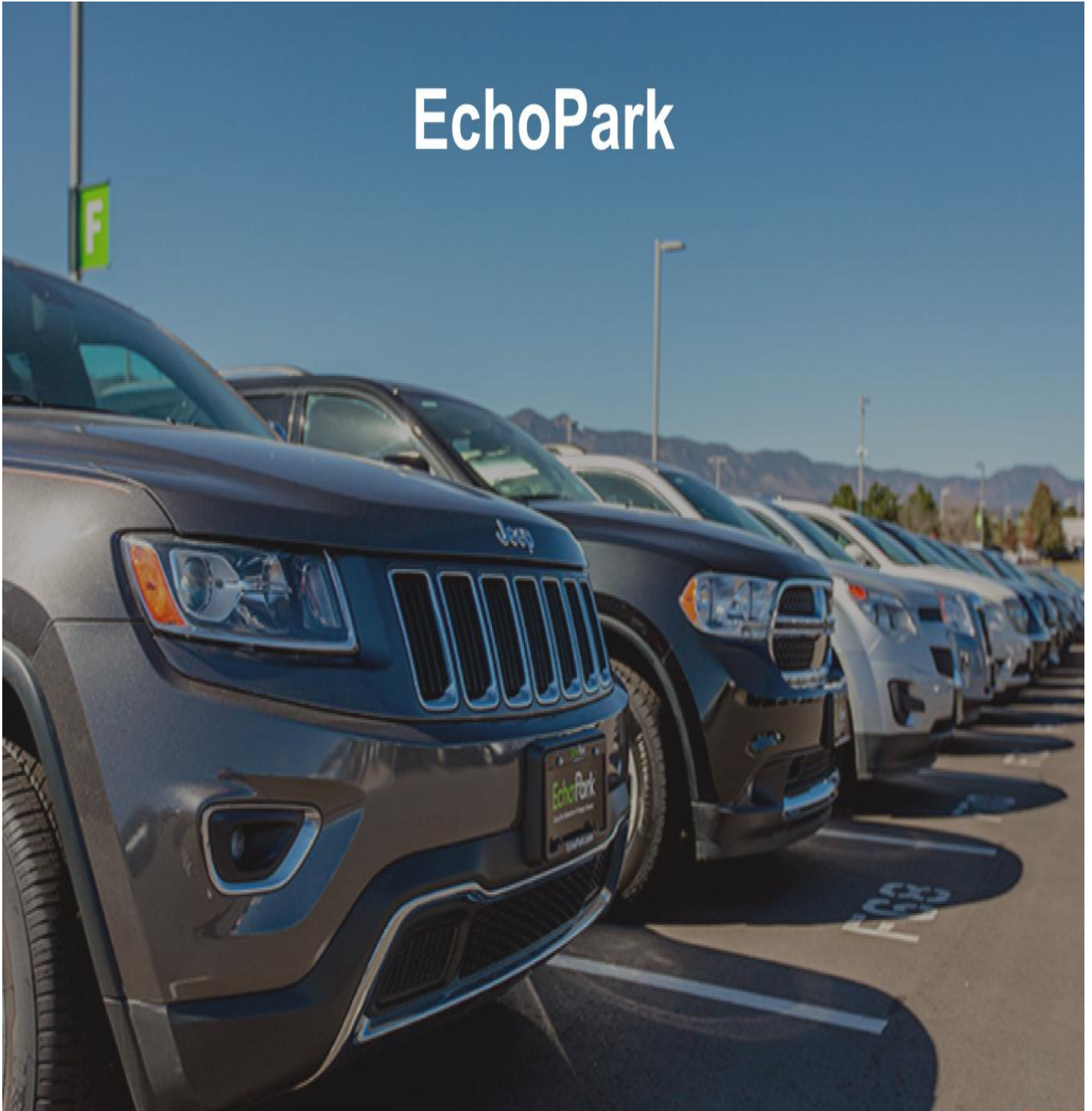
Diversified Geographic
Market Platform



→ 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

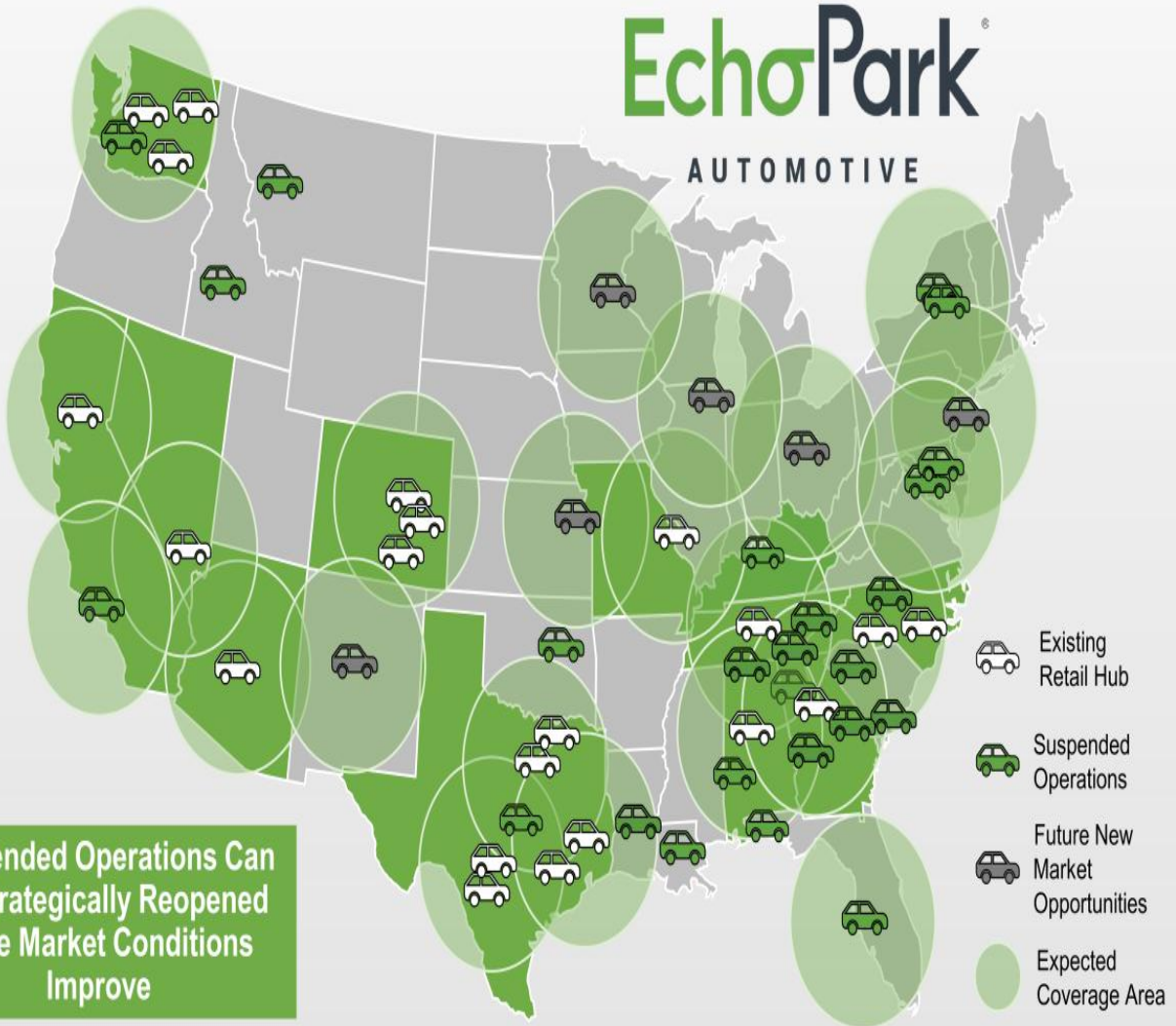


→ EchoPark – Planned Nationwide Distribution Network

Target 90% Population Coverage At Maturity

EchoPark[®]

AUTOMOTIVE

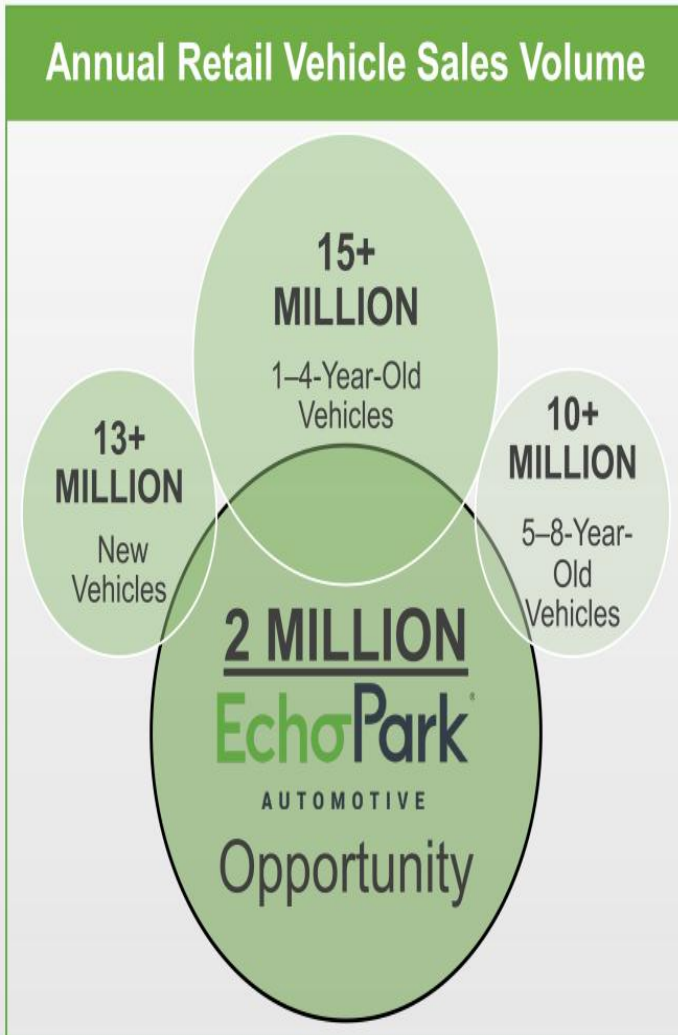


Suspended Operations Can Be Strategically Reopened Once Market Conditions Improve

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

Plan To Achieve
90% Population Coverage

At Maturity Once Market Conditions Improve

Target
10% Market Share

Already Achieving This Share* In Most Mature Market

Pricing Up To
40% Below New

Converts Prospective New Car Buyers

Priced 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 – Industry Headwinds & Action Plan

Industry Headwinds

- Supply Chain Disruption Continues To Suppress New Vehicle Production And Inventory Levels – Began To Ease During 2023 But **Nearly-New Vehicle Sourcing Challenges Are Expected To Persist Beyond 2023**
- Elevated Used Prices And Interest Rates Continue To **Negatively Impact Consumer Affordability** And Industry Sales Volume
- At Wholesale Auction, **Off-Lease/Off-Rental Inventory Supply Remains Limited And Expensive**
- Used Wholesale Pricing Volatility – After Increasing 6.3% In Q1 2023, 3-Year-Old Vehicle Manheim Prices **Decreased 6.3%** In Q2 2023 And **Another 5.0% In Q3 2023 As Anticipated**

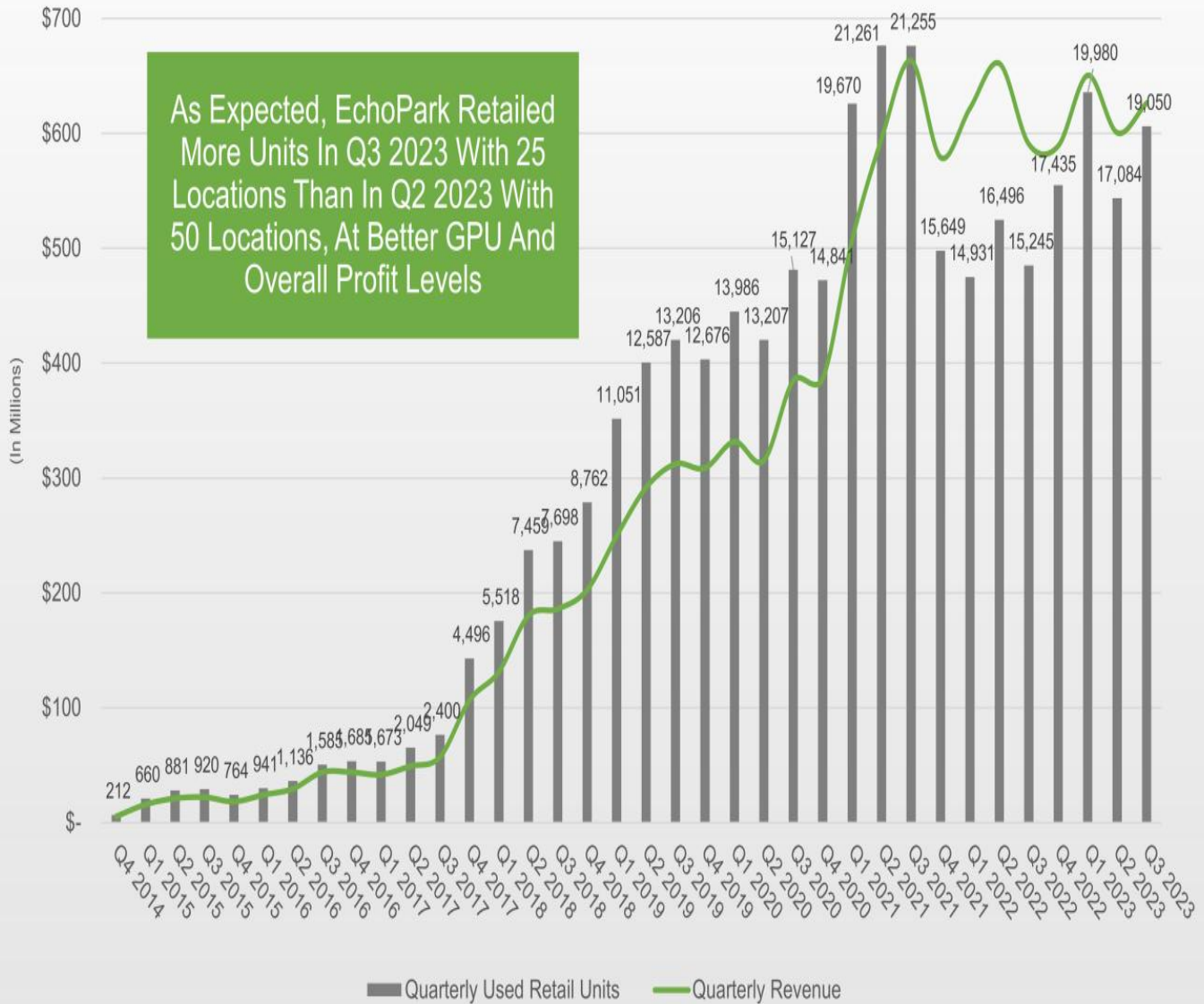
EchoPark Action Plan

- In June 2023, Indefinitely Suspended Operations At Eight EchoPark Retail Hubs And 14 Related EchoPark Delivery/Buy Centers, As Well As Three Northwest Motorsport Locations Within The EchoPark Segment (Collectively, the “Closed EchoPark Stores”)
- Expect Ongoing Expenses Associated With The Closed EchoPark Stores Between **\$1.5 Million To \$2.0 Million Per Quarter**
- Reallocation Of Inventory And Resources To Smaller Store Footprint Should **Accelerate Profitability Improvement** Despite Ongoing Used Vehicle Market Challenges
- Reiterate Expected **Return To Breakeven EchoPark Segment Adjusted EBITDA In Q1 2024**
- Plan To Resume **Disciplined Expansion Of EchoPark Nationwide Distribution Network** As Market Conditions Improve
- Remain Focused On Sourcing More Vehicles From Non-Auction Sources (**20% of Q3 2023 Sales** vs. Historically Less Than 10%) And Expanding Inventory To Include 5+ Year-Old Vehicles (**15% of Q3 2023 Sales**), Driving Lower Inventory Acquisition Cost And **30-35% Lower** Retail Selling Price, Benefiting Consumer Affordability

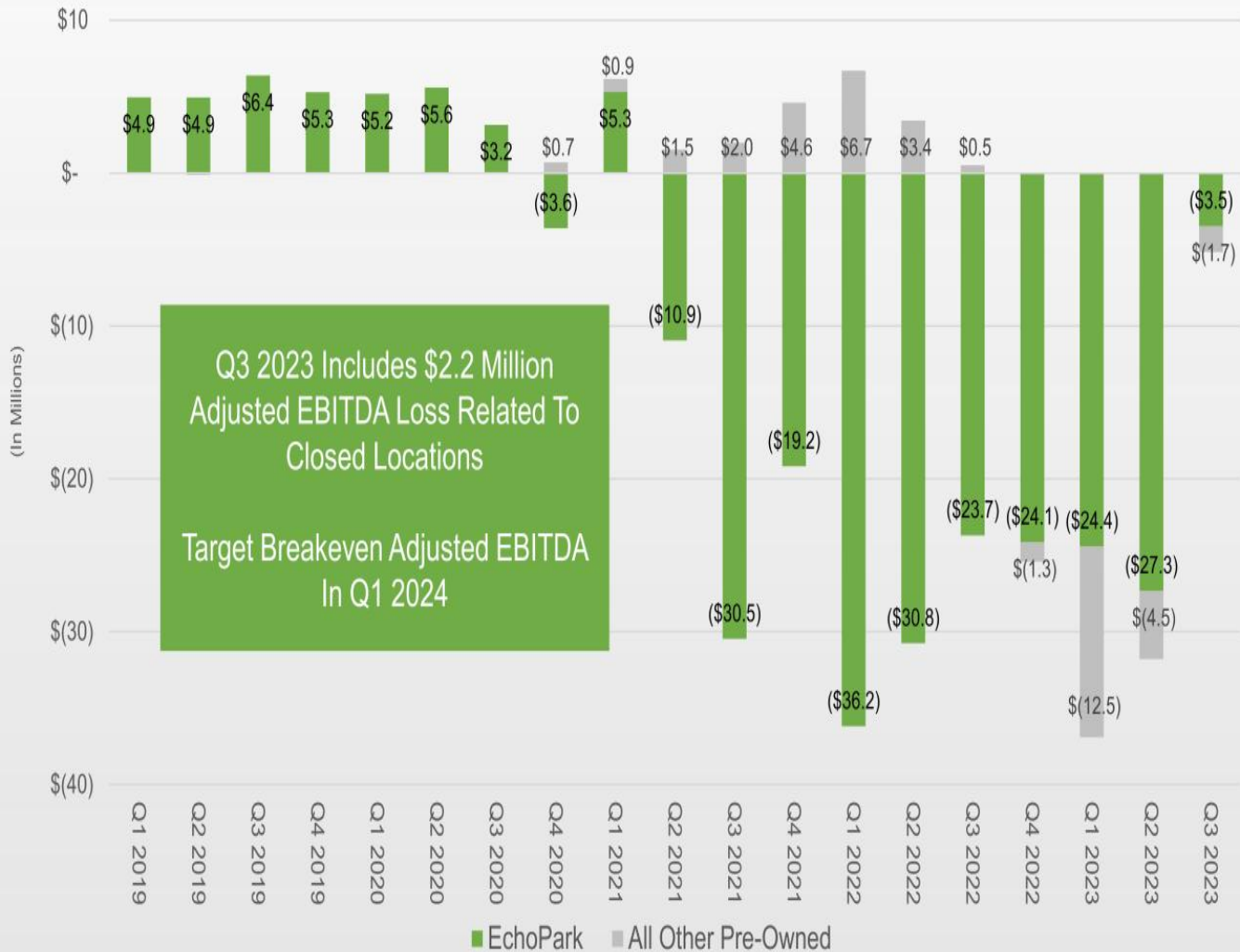
Note: Expected Improvement In Adjusted EBITDA Losses Is Based On Projections. Actual Results May Differ. See “Forward-Looking Statements.”



→ EchoPark Segment – Growth Path



→ EchoPark Segment – Adjusted EBITDA Trend



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

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

Note: "EchoPark" Data Includes EchoPark-Branded Stores And Corporate/Holding Company Results. "All Other Pre-Owned" Data Includes Northwest Motorsport And Other Acquired Pre-Owned Businesses That Have Not Been Re-Branded As EchoPark.



Powersports



→ Powersports – Opportunistic Growth



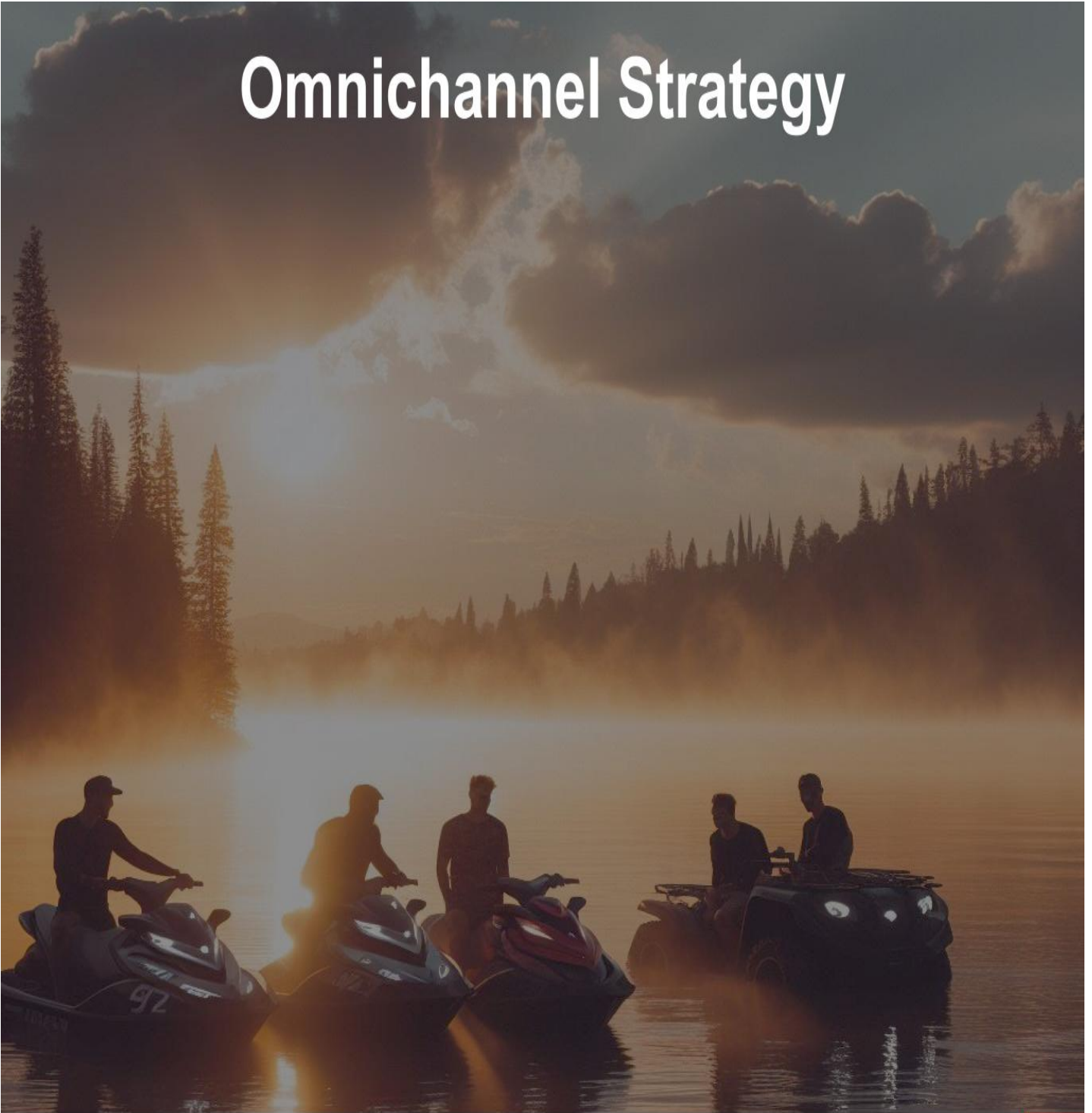
- Growth Via Acquisition At **Attractive Earnings Multiples**
- Consolidation Opportunity In A **\$34 Billion** Market* Where **85% Of U.S. Dealers** Own A Single Location
- Drive **Profitability Enhancement** Through Technology And Process Development
- Generate **Higher Margins** Compared To Traditional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



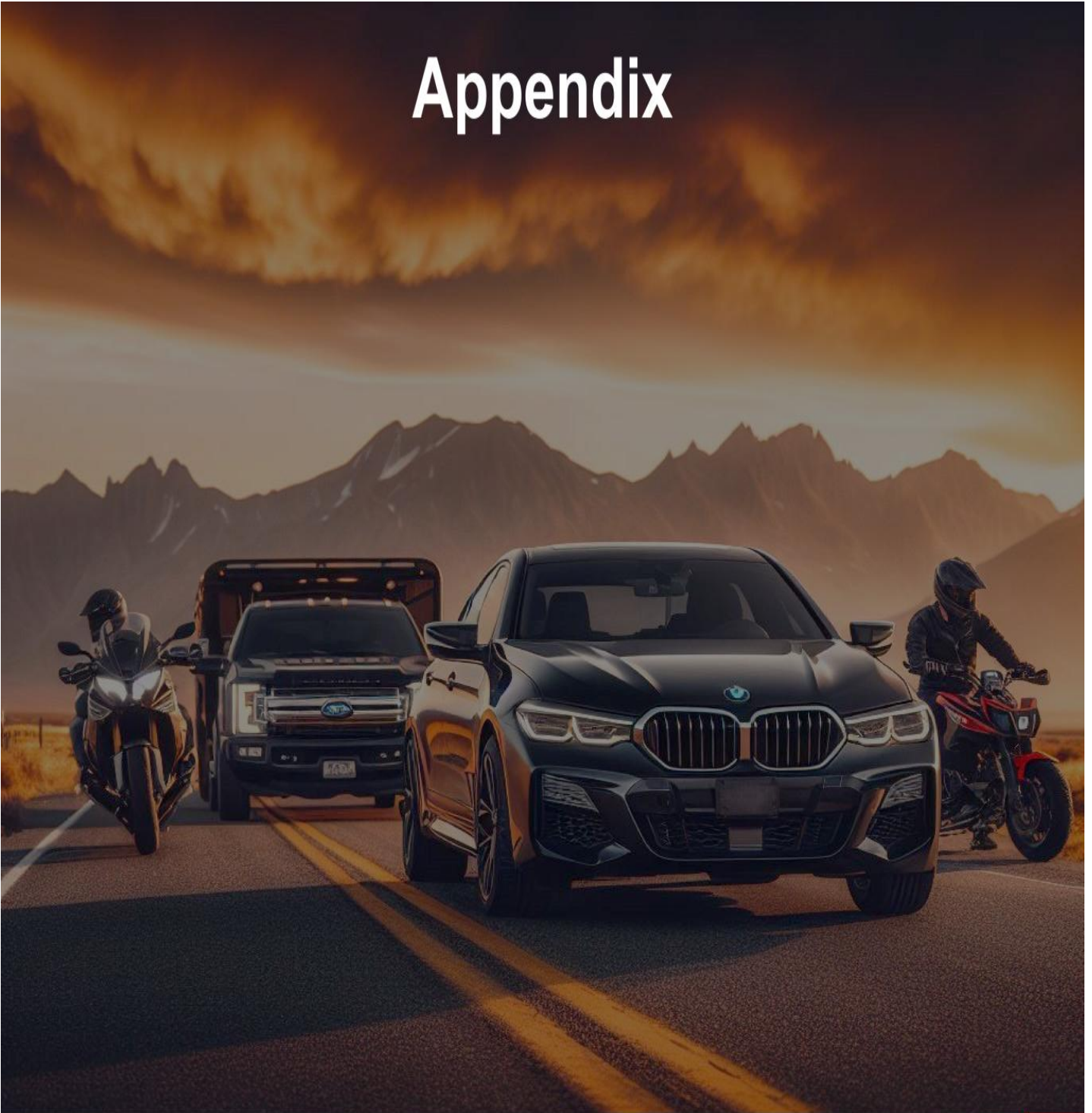
Start Online, Finish On-Site Or Buy Completely Online

- 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 Nearest Store Location
- **2.9 Million** Unique Visitors To EchoPark.com In Q3 2023

Represents 35% Of Q3 2023 EchoPark Unit Sales Volume



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	\$ 4,993.4	\$ 4,224.4	\$ 4,777.3	\$ 4,905.9	13%
Fleet new vehicles	99.4	124.6	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	4,933.6	3,604.2	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	10,418.8	8,082.8	8,582.0	8,165.2	13%
Parts, service and collision repair	1,599.7	1,340.4	1,194.3	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	459.8	233.2	231.7	240.5	44%
Fleet new vehicles	4.9	1.6	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	133.0	105.2	147.4	143.0	37%
Wholesale vehicles	(3.1)	9.6	0.1	(4.5)	(11.3)	(131%)
Total vehicles	845.4	604.0	339.4	376.0	373.2	40%
Parts, service and collision repair	792.5	673.1	594.3	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)

	LTM Q3 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
Reported net income (loss) from continuing operations	\$ 88.5	\$ 348.9	\$ (50.7)	\$ 144.5	\$ 52.4	
Adjustments:						
Impairment charges	\$ 320.4	\$ -	\$ 269.2	\$ 19.6	\$ 29.5	
Acquisition and disposition-related (gain) loss	(9.1)	1.2	(9.2)	(76.0)	(38.9)	
Long-term compensation charges	4.4	6.5	-	6.3	34.1	
Loss on debt extinguishment	-	15.6	-	7.2	-	
Legal and storm damage charges	-	-	-	-	5.7	
Loss (gain) on exit of leased dealerships	-	-	-	-	1.5	
Total pre-tax adjustments	315.7	23.3	260.0	(42.9)	31.9	
Tax effect of above items	(22.6)	(5.9)	(40.4)	14.2	(7.4)	
Total net income effect of adjustments	293.1	17.4	219.6	(28.7)	24.5	
Adjusted net income (loss) from continuing operations	\$ 381.6	\$ 366.3	\$ 168.9	\$ 115.8	\$ 76.9	
Diluted weighted-average shares outstanding	39.7	43.3	43.9	43.7	43.0	
Adjusted diluted earnings (loss) per share from continuing operations	\$ 9.61	\$ 8.46	\$ 3.85	\$ 2.65	\$ 1.79	
Reported SG&A expenses	\$ (1,555.1)	\$ (1,274.7)	\$ (1,028.7)	\$ (1,099.4)	\$ (1,145.3)	
Acquisition and disposition-related (gain) loss	(9.1)	1.2	(9.2)	(76.0)	(38.9)	
Long-term compensation charges	4.4	6.5	-	6.3	34.1	
Legal and storm damage charges	-	-	-	-	5.7	
Loss (gain) on exit of leased dealerships	-	-	-	-	1.5	
Adjusted SG&A expenses	\$ (1,559.8)	\$ (1,267.0)	\$ (1,037.9)	\$ (1,169.1)	\$ (1,142.9)	
Adjusted SG&A expenses as a percentage of gross profit	67.3%	66.2%	72.9%	76.9%	79.0%	
Reported net income (loss)	\$ (51.4)	\$ 88.5	\$ 348.9	\$ (51.4)	\$ 144.1	\$ 51.7
Income tax (benefit) expense	56.2	101.5	109.3	15.6	55.0	22.6
Income (loss) before taxes	4.8	190.0	458.2	(35.8)	199.1	74.3
Non-floor plan interest	104.9	84.7	44.7	38.7	50.5	52.0
Depreciation and amortization	145.4	132.7	104.3	93.9	95.6	96.7
Stock-based compensation expense	20.9	16.0	15.0	11.7	10.8	11.9
Loss (gain) on exit of leased dealerships	4.3	-	-	-	(0.2)	1.7
Impairment charges	383.0	320.4	0.1	270.0	20.8	29.5
Loss on debt extinguishment	-	-	15.6	-	6.7	-
Long-term compensation charges	5.1	4.4	8.0	-	-	32.5
Acquisition and disposition-related (gain) loss	(29.6)	(9.7)	(0.4)	(8.2)	(74.8)	(39.3)
Adjusted EBITDA	\$ 650.7	\$ 738.5	\$ 645.5	\$ 370.3	\$ 308.5	\$ 259.3
Long-term debt (including current portion)	\$ 1,732.5	\$ 1,751.7	\$ 1,561.2	\$ 720.1	\$ 706.9	\$ 945.1
Cash and equivalents	(34.6)	(229.2)	(299.4)	(170.3)	(29.1)	(5.9)
Floor plan deposit balance	(300.0)	(272.0)	(99.8)	(73.2)	-	-
Net debt	\$ 1,397.9	\$ 1,250.5	\$ 1,162.0	\$ 476.6	\$ 677.8	\$ 939.2
Net debt to adjusted EBITDA ratio	2.15	1.69	1.80	1.29	2.20	3.62
Long-term debt (including current portion) to adjusted EBITDA ratio	2.66	2.37	2.42	1.94	2.29	3.64

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, Balance Sheet Amounts For LTM Q3 2023 Are As Of September 30, 2023

NM = Not Meaningful



→ GAAP Income Statement Quarterly Trend – Consolidated

(In millions, except unit, per unit, and per share data)	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q3 2023	
						Better / (Worse) % Change	
						Sequential	Year-Over-Year
Revenues:							
Retail new vehicles	\$ 1,573.5	\$ 1,608.2	\$ 1,442.8	\$ 1,555.3	\$ 1,371.8	(2%)	15%
Fleet new vehicles	23.2	28.3	18.8	29.3	32.0	(18%)	(27%)
Total new vehicles	1,596.7	1,636.5	1,461.6	1,584.6	1,403.8	(2%)	14%
Used vehicles	1,340.4	1,305.9	1,344.9	1,341.1	1,355.9	3%	(1%)
Wholesale vehicles	79.3	91.5	85.6	80.0	114.6	(13%)	(31%)
Total vehicles	3,016.4	3,033.9	2,892.1	3,005.7	2,874.3	(1%)	5%
Parts, service and collision repair	453.4	443.7	430.5	411.1	408.2	2%	11%
Finance, insurance and other, net ("F&I")	173.7	175.3	168.6	173.8	165.6	(1%)	5%
Total revenues	3,643.5	3,652.9	3,491.2	3,590.6	3,448.1	0%	6%
Gross profit:							
Retail new vehicles	131.4	141.4	138.1	164.6	162.2	(7%)	(19%)
Fleet new vehicles	0.9	1.3	0.9	1.8	1.3	(23%)	(27%)
Total new vehicles	132.3	142.7	139.0	166.4	163.5	(7%)	(19%)
Used vehicles	52.3	31.5	30.0	35.5	51.0	66%	3%
Wholesale vehicles	(1.4)	(1.0)	3.0	(3.7)	(2.2)	(48%)	34%
Total vehicles	183.2	173.2	172.0	198.2	212.3	6%	(14%)
Parts, service and collision repair	225.3	220.4	212.9	204.1	202.8	2%	11%
Finance, insurance and other, net	173.7	175.3	168.6	173.8	165.6	(1%)	5%
Total gross profit	582.2	568.9	553.5	576.1	580.7	2%	0%
SG&A expenses	(409.6)	(391.9)	(412.8)	(366.3)	(399.0)	(5%)	(3%)
Impairment charges	-	(62.6)	-	(320.4)	-	NM	NM
Depreciation and amortization	(35.2)	(36.1)	(34.3)	(33.5)	(32.8)	3%	(7%)
Operating income (loss)	137.4	78.3	106.4	(144.1)	148.9	76%	(8%)
Interest expense, floor plan	(17.4)	(17.0)	(14.6)	(13.6)	(9.6)	(2%)	(81%)
Interest expense, other, net	(29.0)	(28.9)	(28.4)	(24.9)	(22.9)	0%	(26%)
Other income (expense), net	0.2	0.1	0.2	0.1	-	NM	NM
Income (loss) before taxes	91.2	32.5	63.6	(182.5)	116.4	180%	(22%)
Income tax benefit (expense)	(22.8)	(9.1)	(15.9)	(8.4)	(29.1)	(151%)	22%
Net income (loss)	\$ 68.4	\$ 23.4	\$ 47.7	\$ (190.9)	\$ 87.3	192%	(22%)
Unit sales volume:							
Retail new vehicles	28,260	28,754	25,657	27,278	24,776	(2%)	14%
Fleet new vehicles	469	590	441	661	672	(21%)	(30%)
Used vehicles	45,428	42,972	45,531	44,303	42,069	6%	8%
Wholesale vehicles	7,996	8,801	8,406	8,094	8,263	(9%)	(3%)
Gross profit per unit ("GPU"):							
Retail new vehicles	\$ 4,649	\$ 4,918	\$ 5,381	\$ 6,034	\$ 6,547	(5%)	(29%)
Used vehicles	\$ 1,150	\$ 732	\$ 660	\$ 800	\$ 1,211	57%	(5%)
F&I	\$ 2,357	\$ 2,445	\$ 2,369	\$ 2,428	\$ 2,477	(4%)	(5%)

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)						Q3 2023	
	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Better / (Worse) % Change	
						Sequential	Year-Over-Year
Reported net income (loss)	\$ 68.4	\$ 23.4	\$ 47.7	\$ (190.9)	\$ 87.3	192%	(22%)
Adjustments:							
Impairment charges	\$ -	\$ 62.6	\$ -	\$ 320.4	\$ -	NM	NM
Acquisition and disposition-related (gain) loss	-	(20.7)	-	(9.1)	-	NM	NM
Severance and long-term compensation charges	0.9	2.2	2.0	-	-	NM	NM
Hail and storm damage charges	-	1.9	-	-	-	NM	NM
Lease exit charges	3.9	0.4	-	-	-	NM	NM
Used vehicle inventory valuation adjustment	-	10.0	-	-	-	NM	NM
Total pre-tax adjustments	4.8	56.4	2.0	311.3	-	NM	NM
Tax effect of above items	(1.2)	(13.8)	(0.5)	(22.6)	-	NM	NM
Total net income effect of adjustments	3.6	42.6	1.5	288.7	-	NM	NM
Adjusted net income (loss)	\$ 72.0	\$ 66.0	\$ 49.2	\$ 97.8	\$ 87.3	9%	(18%)
Diluted weighted-average shares outstanding	35.6	36	36.9	37.4	39.2	1%	9%
Adjusted diluted earnings (loss) per share	\$ 2.02	\$ 1.83	\$ 1.33	\$ 2.61	\$ 2.23	10%	(9%)
Reported gross profit	\$ 582.2	\$ 568.9	\$ 553.5	\$ 576.1	\$ 580.7	2%	0%
Used vehicle inventory valuation adjustment	-	10.0	-	-	-	NM	NM
Adjusted gross profit	\$ 582.2	\$ 578.9	\$ 553.5	\$ 576.1	\$ 580.7	1%	0%
Reported SG&A expenses	\$ (409.6)	\$ (391.9)	\$ (412.8)	\$ (366.3)	\$ (399.0)	(5%)	(3%)
Acquisition and disposition-related (gain) loss	-	(20.7)	-	(9.1)	-	NM	NM
Severance and long-term compensation charges	0.9	2.2	2.0	-	-	NM	NM
Hail and storm damage charges	-	1.9	-	-	-	NM	NM
Lease exit charges	3.9	0.4	-	-	-	NM	NM
Adjusted SG&A expenses	\$ (404.8)	\$ (408.1)	\$ (410.8)	\$ (375.4)	\$ (399.0)	1%	(1%)
Adjusted SG&A expenses as a percentage of gross profit	69.5%	70.5%	74.2%	65.2%	68.7%	100 bps	(80) bps
Reported net income (loss)	\$ 68.4	\$ 23.4	\$ 47.7	\$ (190.9)	\$ 87.3	NM	NM
Income tax (benefit) expense	22.8	9.1	15.9	8.4	29.1	NM	NM
Income (loss) before taxes	91.2	32.5	63.6	(182.5)	116.4	NM	NM
Non-floor plan interest	27.3	27.2	26.9	23.5	21.4	NM	NM
Depreciation and amortization	36.9	37.7	35.9	34.9	34.3	NM	NM
Stock-based compensation expense	6.7	5.6	5.0	3.6	3.8	NM	NM
Lease exit charges	3.9	0.4	-	-	-	NM	NM
Impairment charges	-	62.6	-	320.4	-	NM	NM
Severance and long-term compensation charges	0.9	2.2	2.0	-	-	NM	NM
Acquisition and disposition-related (gain) loss	0.3	(20.7)	-	(9.2)	0.5	NM	NM
Hail and storm damage charges	-	1.9	-	-	-	NM	NM
Used vehicle inventory valuation adjustment	-	10.0	-	-	-	NM	NM
Adjusted EBITDA	\$ 167.2	\$ 159.4	\$ 133.4	\$ 190.7	\$ 176.4	5%	(5%)

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)	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q3 2023	
						Better / (Worse) % Change Sequential	Year-Over-Year
Revenues:							
Retail new vehicles	\$ 1,546.7	\$ 1,583.3	\$ 1,421.0	\$ 1,534.5	\$ 1,359.6	(2%)	14%
Fleet new vehicles	23.2	28.3	18.8	29.4	32.0	(18%)	(27%)
Total new vehicles	1,569.9	1,611.6	1,439.8	1,563.9	1,391.6	(3%)	13%
Used vehicles	780.7	774.5	767.6	823.4	842.4	1%	(7%)
Wholesale vehicles	51.4	55.6	58.4	52.6	75.7	(7%)	(32%)
Total vehicles	2,402.0	2,441.7	2,265.8	2,439.9	2,309.7	(2%)	4%
Parts, service and collision repair	431.8	433.4	423.8	404.8	404.7	0%	7%
Finance, insurance and other, net ("F&I")	126.0	132.2	117.1	128.0	125.9	(5%)	0%
Total revenues	2,959.8	3,007.3	2,806.7	2,972.7	2,840.3	(2%)	4%
Gross profit:							
Retail new vehicles	125.5	136.9	134.0	160.8	160.7	(8%)	(22%)
Fleet new vehicles	0.9	1.3	0.9	1.8	1.3	(23%)	(27%)
Total new vehicles	126.4	138.2	134.9	162.6	162.0	(8%)	(22%)
Used vehicles	42.6	44.5	40.8	38.4	45.4	(4%)	(6%)
Wholesale vehicles	(1.5)	(1.0)	1.9	(3.2)	(2.1)	(64%)	28%
Total vehicles	167.5	181.7	177.6	197.8	205.3	(8%)	(18%)
Parts, service and collision repair	215.1	215.4	209.6	200.9	201.0	0%	7%
Finance, insurance and other, net	126.0	132.2	117.1	128.0	125.9	(5%)	0%
Total gross profit	508.6	529.3	504.3	526.7	532.2	(4%)	(4%)
SG&A expenses	(338.3)	(316.1)	(331.2)	(298.1)	(332.0)	(7%)	(2%)
Impairment charges	-	-	-	(115.5)	-	NM	NM
Depreciation and amortization	(28.2)	(27.9)	(26.5)	(26.0)	(25.9)	(1%)	(10%)
Operating income (loss)	142.1	185.3	146.6	87.1	174.3	(23%)	(18%)
Interest expense, floor plan	(12.9)	(11.9)	(9.9)	(9.8)	(6.6)	(8%)	(94%)
Interest expense, other, net	(27.9)	(27.5)	(26.9)	(23.4)	(21.4)	(1%)	(30%)
Other income (expense), net	0.2	-	-	-	-	NM	NM
Income (loss) before taxes	\$ 101.5	\$ 145.9	\$ 109.8	\$ 53.9	\$ 146.3	(30%)	(31%)
Unit sales volume:							
Retail new vehicles	26,869	27,358	24,539	26,239	24,241	(2%)	11%
Fleet new vehicles	469	590	441	661	672	(21%)	(30%)
Used vehicles	25,541	25,197	25,107	26,631	26,647	1%	(4%)
Wholesale vehicles	5,163	5,516	5,483	5,616	5,813	(6%)	(11%)
Gross profit per unit ("GPU"):							
Retail new vehicles	\$ 4,672	\$ 5,003	\$ 5,463	\$ 6,130	\$ 6,627	(7%)	(30%)
Used vehicles	\$ 1,666	\$ 1,765	\$ 1,626	\$ 1,442	\$ 1,704	(6%)	(2%)
F&I	\$ 2,403	\$ 2,516	\$ 2,360	\$ 2,421	\$ 2,473	(5%)	(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)	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q3 2023	
						Better / (Worse) % Change Sequential	Year-Over-Year
Reported income (loss) before taxes	\$ 101.5	\$ 145.9	\$ 109.8	\$ 53.9	\$ 146.3	(30%)	(31%)
Impairment charges	-	-	-	115.5	-	NM	NM
Segment income (loss)	\$ 101.5	\$ 145.9	\$ 109.8	\$ 169.4	\$ 146.3	(30%)	(31%)
Acquisition and disposition-related (gain) loss	-	(20.9)	-	(9.1)	-	NM	NM
Long-term compensation charges	-	-	-	-	-	NM	NM
Hail and storm damage charges	-	1.9	-	-	-	NM	NM
Adjusted segment income (loss)	\$ 101.5	\$ 126.9	\$ 109.8	\$ 160.3	\$ 146.3	(20%)	(31%)
Reported SG&A expenses	\$ (338.3)	\$ (316.1)	\$ (331.2)	\$ (298.1)	\$ (332.0)	(7%)	(2%)
Acquisition and disposition-related (gain) loss	-	(20.9)	-	(9.1)	-	NM	NM
Long-term compensation charges	-	-	-	-	-	NM	NM
Hail and storm damage charges	-	1.9	-	-	-	NM	NM
Adjusted SG&A expenses	\$ (338.3)	\$ (335.1)	\$ (331.2)	\$ (307.2)	\$ (332.0)	(1%)	(2%)
Adjusted SG&A expenses as a percentage of gross profit	66.5%	63.3%	65.7%	58.3%	62.4%	(320) bps	(410) bps
Income (loss) before taxes	\$ 101.5	\$ 145.9	\$ 109.8	\$ 53.9	\$ 146.3	NM	NM
Non-floor plan interest	26.2	25.8	25.4	22.0	19.9	NM	NM
Depreciation and amortization	29.9	29.3	28.2	27.4	27.3	NM	NM
Stock-based compensation expense	6.7	5.6	5.0	3.6	3.8	NM	NM
Impairment charges	-	-	-	115.5	-	NM	NM
Long-term compensation charges	-	-	-	-	-	NM	NM
Acquisition and disposition-related (gain) loss	0.2	(20.7)	-	(9.2)	0.5	NM	NM
Hail and storm damage charges	-	1.9	-	-	-	NM	NM
Adjusted EBITDA	\$ 164.5	\$ 187.8	\$ 168.4	\$ 213.2	\$ 197.8	(12%)	(17%)

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)	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q3 2023	
						Better / (Worse) % Change Sequential	Year-Over-Year
Revenues:							
Retail new vehicles	\$ -	\$ -	\$ 1.0	\$ 2.0	\$ 1.6	279%	(96%)
Used vehicles	554.8	524.0	572.5	515.5	511.4	6%	8%
Wholesale vehicles	26.6	35.5	27.0	27.3	39.0	(26%)	(32%)
Total vehicles	581.4	559.5	600.5	544.8	551.9	4%	5%
Finance, insurance and other, net ("F&I")	45.3	41.1	50.0	44.5	38.9	10%	17%
Total revenues	626.7	600.6	650.5	589.3	590.8	4%	6%
Gross profit:							
Retail new vehicles	-	-	0.1	0.2	(0.6)	(143%)	98%
Used vehicles	7.3	(14.3)	(11.8)	(3.6)	5.0	151%	48%
Wholesale vehicles	0.2	-	1.1	(0.3)	(0.1)	284%	160%
Total vehicles	7.5	(14.3)	(10.6)	(3.7)	4.3	152%	72%
Finance, insurance and other, net	45.3	41.1	50.0	44.5	38.9	10%	17%
Total gross profit	52.8	26.8	39.4	40.8	43.2	97%	22%
SG&A expenses	(58.6)	(66.6)	(73.8)	(62.3)	(63.4)	12%	8%
Impairment charges	-	(62.6)	-	(204.9)	-	NM	NM
Depreciation and amortization	(6.1)	(7.4)	(7.0)	(7.0)	(6.7)	19%	11%
Operating income (loss)	(11.9)	(109.8)	(41.4)	(233.4)	(26.9)	89%	56%
Interest expense, floor plan	(4.3)	(4.8)	(4.6)	(3.9)	(3.0)	11%	(44%)
Interest expense, other, net	(0.7)	(0.9)	(0.9)	(0.9)	(1.1)	12%	34%
Other income (expense), net	-	0.1	0.1	-	-	NM	NM
Income (loss) before taxes	\$ (16.9)	\$ (115.4)	\$ (46.8)	\$ (238.2)	\$ (31.0)	85%	46%
Unit sales volume:							
Retail new vehicles	-	-	11	26	45	0%	(100%)
Used vehicles	19,050	17,084	19,980	17,435	15,245	12%	25%
Wholesale vehicles	2,740	3,235	2,916	2,444	2,449	(15%)	12%
Gross profit per unit ("GPU"):							
Total used vehicle and F&I	\$ 2,767	\$ 1,569	\$ 1,907	\$ 2,340	\$ 2,869	76%	(4%)

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)	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q3 2023	
						Better / (Worse) % Change Sequential	Year-Over-Year
Reported income (loss) before taxes	\$ (16.9)	\$ (115.4)	\$ (46.8)	\$ (238.2)	\$ (31.0)	85%	46%
Impairment charges	-	62.6	-	204.9	-	NM	NM
Segment income (loss)	\$ (16.9)	\$ (52.8)	\$ (46.8)	\$ (33.3)	\$ (31.0)	68%	46%
Acquisition and disposition-related (gain) loss	-	0.2	-	-	-	NM	NM
Lease exit charges	3.9	0.4	-	-	-	NM	NM
Severance and long-term compensation charges	0.9	2.2	2.0	-	-	NM	NM
Used vehicle inventory valuation adjustment	-	10.0	-	-	-	NM	NM
Adjusted segment income (loss)	\$ (12.1)	\$ (40.0)	\$ (44.8)	\$ (33.3)	\$ (31.0)	70%	61%
Reported gross profit	\$ 52.8	\$ 26.8	\$ 39.4	\$ 40.8	\$ 43.2	97%	22%
Used vehicle inventory valuation adjustment	-	10.0	-	-	-	NM	NM
Adjusted gross profit	\$ 52.8	\$ 36.8	\$ 39.4	\$ 40.8	\$ 43.2	44%	22%
Reported SG&A expenses	\$ (58.6)	\$ (66.6)	\$ (73.8)	\$ (62.3)	\$ (63.4)	12%	8%
Acquisition and disposition-related (gain) loss	-	0.2	-	-	-	NM	NM
Lease exit charges	3.9	0.4	-	-	-	NM	NM
Severance and long-term compensation charges	0.9	2.2	2.0	-	-	NM	NM
Adjusted SG&A expenses	\$ (53.8)	\$ (63.8)	\$ (71.8)	\$ (62.3)	\$ (63.4)	16%	15%
Adjusted SG&A expenses as a percentage of gross profit	101.9%	173.5%	182.1%	152.8%	146.8%	7,160 bps	4,490 bps
Income (loss) before taxes	\$ (16.9)	\$ (115.4)	\$ (46.8)	\$ (238.2)	\$ (31.0)	NM	NM
Non-floor plan interest	0.7	0.8	0.9	0.9	1.1	NM	NM
Depreciation and amortization	6.1	7.6	7.0	7.0	6.8	NM	NM
Lease exit charges	3.9	0.4	-	-	-	NM	NM
Impairment charges	-	62.6	-	204.9	-	NM	NM
Long-term compensation charges	0.9	2.2	2.0	-	-	NM	NM
Acquisition and disposition-related (gain) loss	0.1	-	-	-	-	NM	NM
Used vehicle inventory valuation adjustment	-	10.0	-	-	-	NM	NM
Adjusted EBITDA	\$ (5.2)	\$ (31.8)	\$ (36.9)	\$ (25.4)	\$ (23.2)	(84%)	(78%)

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)	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q3 2023	
						Better / (Worse) % Change Sequential	Year-Over-Year
Revenues:							
Retail new vehicles	\$ 26.8	\$ 24.9	\$ 20.8	\$ 18.8	\$ 10.6	8%	NM
Used vehicles	4.9	7.4	4.8	2.1	2.0	(35%)	NM
Wholesale vehicles	1.3	0.4	0.2	0.1	-	NM	NM
Total vehicles	33.0	32.7	25.8	21.0	12.6	1%	NM
Parts, service and collision repair	21.6	10.3	6.7	6.3	3.5	109%	NM
Finance, insurance and other, net ("F&I")	2.4	2.0	1.5	1.3	0.9	21%	NM
Total revenues	57.0	45.0	34.0	28.6	17.0	27%	NM
Gross profit:							
Retail new vehicles	5.9	4.5	4.0	3.6	2.1	30%	NM
Used vehicles	2.4	1.3	1.0	0.7	0.6	77%	NM
Wholesale vehicles	(0.1)	-	-	-	-	NM	NM
Total vehicles	8.2	5.8	5.0	4.3	2.7	41%	NM
Parts, service and collision repair	10.2	5.0	3.3	3.1	1.8	103%	NM
Finance, insurance and other, net	2.4	2.0	1.5	1.3	0.9	21%	NM
Total gross profit	20.8	12.8	9.8	8.7	5.4	62%	NM
SG&A expenses	(12.7)	(9.2)	(7.8)	(5.9)	(3.6)	(38%)	NM
Impairment charges	-	-	-	-	-	NM	NM
Depreciation and amortization	(0.9)	(0.8)	(0.8)	(0.6)	(0.2)	(5%)	NM
Operating income (loss)	7.2	2.8	1.2	2.2	1.6	156%	NM
Interest expense, floor plan	(0.2)	(0.3)	(0.1)	-	-	NM	NM
Interest expense, other, net	(0.4)	(0.5)	(0.6)	(0.6)	(0.4)	18%	NM
Other income (expense), net	-	-	0.1	0.2	-	NM	NM
Income (loss) before taxes	\$ 6.6	\$ 2.0	\$ 0.6	\$ 1.8	\$ 1.2	227%	NM
Unit sales volume:							
Retail new vehicles	1,391	1,396	1,107	1,013	490	0%	NM
Used vehicles	837	691	444	237	177	21%	NM
Wholesale vehicles	93	50	7	34	9	NM	NM
Gross profit per unit ("GPU"):							
Retail new vehicles	\$ 4,213	\$ 3,235	\$ 3,573	\$ 3,535	\$ 4,304	30%	NM
Used vehicles	\$ 2,833	\$ 1,942	\$ 2,328	\$ 2,860	\$ 3,328	46%	NM
F&I	\$ 1,075	\$ 952	\$ 980	\$ 1,026	\$ 1,297	13%	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)	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q3 2023	
						Better / (Worse) % Change Sequential	Year-Over-Year
Reported income (loss) before taxes	\$ 6.6	\$ 2.0	\$ 0.6	\$ 1.8	\$ 1.2	227%	NM
Impairment charges	-	-	-	-	-	NM	NM
Segment income (loss)	\$ 6.6	\$ 2.0	\$ 0.6	\$ 1.8	\$ 1.2	227%	NM
Reported SG&A expenses	\$ (12.7)	\$ (9.2)	\$ (7.8)	\$ (5.9)	\$ (3.6)	(38%)	NM
Reported SG&A expenses as a percentage of gross profit	61.1%	71.6%	80.1%	68.4%	66.2%	1,050 bps	NM
Income (loss) before taxes	\$ 6.6	\$ 2.0	\$ 0.6	\$ 1.8	\$ 1.2	NM	NM
Non-floor plan interest	0.4	0.6	0.6	0.6	0.4	NM	NM
Depreciation and amortization	0.9	0.8	0.7	0.5	0.2	NM	NM
Adjusted EBITDA	\$ 7.9	\$ 3.4	\$ 1.9	\$ 2.9	\$ 1.8	132%	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)	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Income (loss) before taxes	\$ (32.9)	\$ (26.8)	\$ (35.3)	\$ (34.2)	\$ (31.1)	\$ (238.2)	\$ (46.8)	\$ (115.4)	\$ (16.9)
Non-floor plan interest	0.3	0.7	0.7	1.0	1.1	0.9	0.9	0.8	0.7
Depreciation and amortization	4.0	4.9	5.1	5.9	6.8	7.0	7.0	7.4	6.1
Loss (gain) on exit of leased dealerships	-	-	-	-	-	-	-	0.4	3.9
Impairment charges	-	0.1	-	-	-	204.9	-	62.6	-
Long-term compensation charges	0.5	6.5	-	-	-	-	2.0	2.2	0.9
Acquisition and disposition-related (gain) loss	(0.4)	-	-	-	-	-	-	0.2	0.1
Used vehicle inventory adjustment	-	-	-	-	-	-	-	10.0	-
Adjusted EBITDA	\$ (28.5)	\$ (14.6)	\$ (29.5)	\$ (27.3)	\$ (23.2)	\$ (25.4)	\$ (36.9)	\$ (31.8)	\$ (5.2)

(In millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Income (loss) before taxes	\$ 0.2	\$ 1.7	\$ 2.1	\$ (14.5)	\$ 2.1	\$ 2.6	\$ 0.2	\$ (0.8)	\$ 2.0	\$ (14.4)
Non-floor plan interest	0.5	0.4	0.5	0.4	0.4	0.2	0.1	0.2	0.4	0.3
Depreciation and amortization	2.4	2.7	2.7	2.8	2.7	2.8	2.8	2.9	3.3	4.2
Loss (gain) on exit of leased dealerships	-	-	-	-	-	-	-	-	-	-
Impairment charges	1.9	-	1.1	16.6	-	-	-	-	-	-
Long-term compensation charges	-	-	-	-	-	-	-	-	0.5	0.5
Acquisition and disposition-related (gain) loss	-	-	-	-	-	-	-	(5.2)	-	-
Used vehicle inventory adjustment	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	\$ 5.0	\$ 4.8	\$ 6.4	\$ 5.3	\$ 5.2	\$ 5.6	\$ 3.1	\$ (2.9)	\$ 6.2	\$ (9.4)





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