

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): April 23, 2012

SONIC AUTOMOTIVE, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-13395

(Commission File Number)

56-201079

(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**

N/A

(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))

Item 2.02. Results of Operations and Financial Condition.

On April 23, 2012, we issued a press release announcing results for our fiscal quarter ended March 31, 2012.

A copy of the press release is attached hereto as Exhibit 99.1. A copy of the earnings call presentation materials is attached hereto as Exhibit 99.2.

Item 7.01. Regulation FD Disclosure.

On April 23, 2012, we issued a press release announcing the approval of a quarterly cash dividend.

A copy of the press release is attached hereto as Exhibit 99.3.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

- 99.1 Press release of Sonic Automotive, Inc. dated April 23, 2012
- 99.2 Earnings call presentation materials
- 99.3 Press release of Sonic Automotive, Inc. dated April 23, 2012

SIGNATURES

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

SONIC AUTOMOTIVE, INC.

By: /s/ Stephen K. Coss

Stephen K. Coss
Senior Vice President and General
Counsel

Dated: April 23, 2012

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Sonic Automotive, Inc. dated April 23, 2012
99.2	Earnings call presentation materials
99.3	Press release of Sonic Automotive, Inc. dated April 23, 2012

Sonic Automotive, Inc. Profits up 24% Same Store Revenue Grows 9% - Record Q1 Revenues

CHARLOTTE, N.C. – April 23, 2012 – Sonic Automotive, Inc. (NYSE: SAH), one of the nation’s largest automotive retailers, today reported 2012 first quarter earnings from continuing operations of \$19.5 million for a 24% increase over the prior year results. Earnings from continuing operations per diluted share increased 22% to \$0.33 compared to \$0.27 in the prior year quarter.

Q1 2012 Highlights – Record Q1 Same Store Revenues; Fixed Operations Revenue and Gross Revenue Growth Despite Lower Warranty Activity; Continue to Invest in Base Business

- Total Q1 revenues up 9.3% over prior year quarter
- New vehicle retail revenue up 12.1% in Q1
- Used vehicle revenue up 9.0% for the quarter
- Parts and Service revenue up 5.1% in Q1
- SG&A to gross profit % down 30 bps to 79.4% for the quarter

B. Scott Smith, the Company’s President, noted, “We are pleased with this quarter’s results. Our overall profitability increased significantly from the prior year quarter due to our strong revenue growth and continued improvement in our SG&A to gross profit metrics. The improvements in these metrics were achieved as we continue substantial investment in our information technology and training initiatives. We have cultivated a culture and team that are mature and stable, allowing us to embrace and execute these processes and technologies. Our goal remains the same, develop predictable, repeatable and sustainable processes through the use of innovative technologies and operating playbooks to create a competitive advantage benefiting Sonic Automotive now and in the years to come.”

Commenting on Sonic’s operating performance, Jeff Dyke, the Company’s EVP of Operations noted, “As a result of our operating disciplines, we achieved record first quarter revenues of nearly \$2 billion with our current complement of stores. Our new vehicle retail unit volume, which increased 11.2% versus the first quarter of 2011, outpaced the new vehicle retail industry volume increase. We are excited about the possibilities of further improvement resulting from our continued focus on efficient execution of our selling and customer service processes.”

First Quarter Earnings Conference Call

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

Presentation materials for the conference call can be accessed on the Company’s website at www.sonicautomotive.com by clicking on the “Investor Relations” tab under “Our Company” and choosing “Webcasts & Presentations”.

A live audio of the call will be accessible to the public by calling (877) 791-3416. International callers dial (706) 643-0958. Callers should dial in approximately 10 minutes before the call begins.

A conference call replay will be available one hour following the call for seven days and can be accessed by calling: 800-585-8367, Conference ID: 70848537, International callers dial (404) 537-3406.

About Sonic Automotive

Sonic Automotive, Inc., a Fortune 500 company based in Charlotte, N.C., is one of the nation's largest automotive retailers. Sonic can be reached on the web at www.sonicautomotive.com.

Included herein are forward-looking statements, including statements with respect to anticipated growth in new vehicle sales, and future success and impacts from the implementation of our strategic initiatives. There are many factors that affect management's views about future events and trends of the Company's business. These factors involve risk and uncertainties that could cause actual results or trends to differ materially from management's view, including without limitation, economic conditions in the markets in which we operate, new and used vehicle industry sales volume, the success of our operational strategies, the rate and timing of overall economic recovery or decline, and the risk factors described in the Company's annual report on Form 10-K for the year ending December 31, 2011. The Company does not undertake any obligation to update forward-looking information.

Sonic Automotive, Inc.
Results of Operations (Unaudited)
(Dollars in thousands, except per share data)

	First Quarter Ended March 31,	
	2012	2011
Revenues		
New retail vehicles	\$ 1,018,536	\$ 908,853
Fleet vehicles	45,917	63,640
Total new vehicles	1,064,453	972,493
Used vehicles	517,052	474,555
Wholesale vehicles	45,341	35,046
Total vehicles	1,626,846	1,482,094
Parts, service and collision repair	301,748	287,100
Finance, insurance and other	59,248	49,102
Total revenues	1,987,842	1,818,296
Total gross profit	311,869	287,238
Selling, general and administrative expenses	(247,480)	(229,016)
Impairment charges	(1)	(17)
Depreciation and amortization	(11,071)	(9,895)
Operating income (loss)	53,317	48,310
Interest expense, floor plan	(4,473)	(5,365)
Interest expense, other, net	(15,080)	(15,359)
Interest expense, non-cash, convertible debt	(1,630)	(1,694)
Interest income (expense/amortization), non-cash, cash flow swaps	22	178
Other income (expense), net	19	71
Income (loss) from continuing operations before taxes	32,175	26,141
Provision for income taxes - benefit (expense)	(12,709)	(10,457)
Income (loss) from continuing operations	19,466	15,684
Income (loss) from discontinued operations	1,032	(720)
Net income (loss)	\$ 20,498	\$ 14,964
Diluted:		
Weighted average common shares outstanding	64,420	65,950
Earnings (loss) per share from continuing operations	\$ 0.33	\$ 0.27
Earnings (loss) per share from discontinued operations	0.02	(0.01)
Earnings (loss) per share	\$ 0.35	\$ 0.26
Gross Margin Data (Continuing Operations):		
New retail vehicles	6.2%	6.3%
Fleet vehicles	3.4%	3.1%
Total new vehicles	6.1%	6.1%
Used vehicles	7.8%	7.9%
Wholesale vehicles	0.5%	(1.3%)
Parts, service and collision repair	48.7%	49.3%
Finance, insurance and other	100.0%	100.0%
Overall gross margin	15.7%	15.8%
SG&A Expenses (Continuing Operations):		
Compensation	\$ 147,534	\$ 134,802
Advertising	13,044	13,440
Rent and rent related	28,693	29,791
Other	58,209	50,983
Total	\$ 247,480	\$ 229,016
SG&A Expenses as % of Gross Profit	79.4%	79.7%
Operating Margin %	2.7%	2.7%
Unit Data (Continuing Operations):		
New retail units	29,685	26,703
Fleet units	1,705	2,488
Total new units	31,390	29,191
Used units	26,547	24,895
Wholesale units	7,526	5,583
Other Data:		
Continuing Operations revenue percentage changes:		
New retail vehicles	12.1%	
Fleet vehicles	(27.8%)	
Total new vehicles	9.5%	
Used vehicles	9.0%	
Parts, service and collision repair	5.1%	
Finance, insurance and other	20.7%	
	9.3%	
Total revenues		

Sonic Automotive, Inc.**Earnings Per Share Reconciliation (Unaudited)**

(Dollars in thousands, except per share data)

	First Quarter Ended March 31, 2012						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Amount	Per Share	Amount	Per Share	Amount	Per Share
			Amount		Amount		Amount
Earnings (loss) and shares	52,224	\$ 19,466		\$ 1,032		\$ 20,498	
Effect of participating securities:							
Non-vested restricted stock and stock units	-	(303)		-		(303)	
Basic earnings (loss) and shares	52,224	\$ 19,163	\$ 0.37	\$ 1,032	\$ 0.02	\$ 20,195	\$ 0.39
Effect of dilutive securities:							
Contingently convertible debt (5.0% Convertible Notes)	11,676	2,167		5		2,172	
Stock compensation plans	520						
Diluted earnings (loss) and shares	<u>64,420</u>	<u>\$ 21,330</u>	<u>\$ 0.33</u>	<u>\$ 1,037</u>	<u>\$ 0.02</u>	<u>\$ 22,367</u>	<u>\$ 0.35</u>

	First Quarter Ended March 31, 2011						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Amount	Per Share	Amount	Per Share	Amount	Per Share
			Amount		Amount		Amount
Earnings (loss) and shares	52,416	\$ 15,684		\$ (720)		\$ 14,964	
Effect of participating securities:							
Non-vested restricted stock and stock units	-	(205)		-		(205)	
Basic earnings (loss) and shares	52,416	\$ 15,479	\$ 0.30	\$ (720)	\$ (0.02)	\$ 14,759	\$ 0.28
Effect of dilutive securities:							
Contingently convertible debt (5.0% Convertible Notes)	12,890	2,296		14		2,310	
Stock compensation plans	644						
Diluted earnings (loss) and shares	<u>65,950</u>	<u>\$ 17,775</u>	<u>\$ 0.27</u>	<u>\$ (706)</u>	<u>\$ (0.01)</u>	<u>\$ 17,069</u>	<u>\$ 0.26</u>



Q1 2012 Earnings Review

April 23, 2012

Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events, are not historical facts and are based on our current expectations and assumptions regarding our business, the economy and other future conditions. These statements can generally be identified by lead-in words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “foresee”, “may”, “will” and other similar words. Statements that describe our Company’s objectives, plans or goals are also forward-looking statements. Examples of such forward-looking information we may be discussing in this presentation include, without limitation, further implementation of our operational strategies and playbooks, future debt retirement, capital expenditures, operating margins and revenues, inventory levels and new vehicle industry sales volume.

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, among other things, (a) economic conditions in the markets in which we operate, (b) the success of our operational strategies, (c) our relationships with the automobile manufacturers and (d) new and pre-owned vehicle sales volume. These risks and uncertainties, as well as additional factors that could affect our forward-looking statements, are described in our Form 10-K for the year ending December 31, 2011.

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.

Sonic Automotive Q1 2012

- **Quarter in Review**
- **Financial Results**
- **Operations Recap**
- **Summary and Outlook**

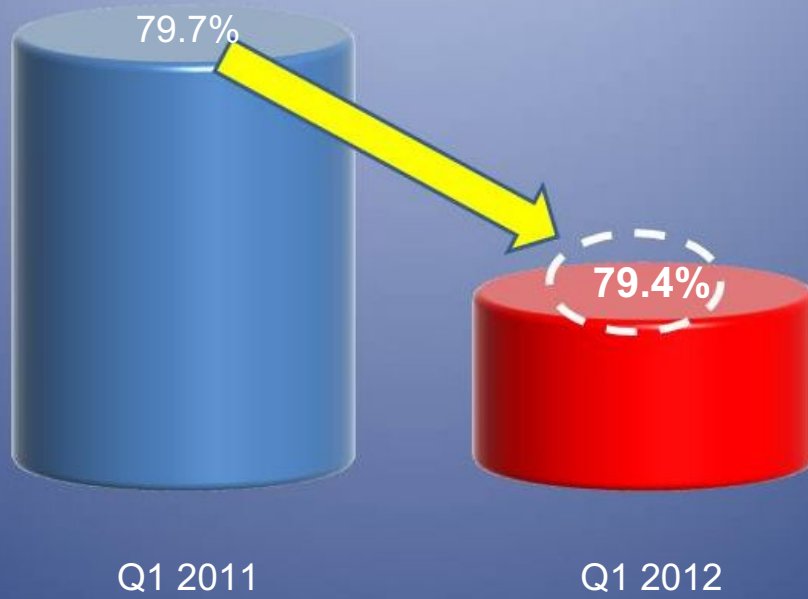
Overall Results

- ❑ **Record Revenue Growth – up 9.3%**
 - ❖ **New retail vehicle revenue up 12.1% - volume up 11.2% - exceeds industry retail volume growth**
 - ❖ **Pre-owned revenue up 9.0%**
 - ❖ **F&I revenue up 20.7%**
 - ❖ **Fixed Operations revenue up 5.1%**
- ❑ **SG&A to gross declined to 79.4%**
- ❑ **Income from continuing operations of \$19.5 million up 24.1%**
- ❑ **Q1 2012 diluted EPS from continuing operations was \$0.33 per share vs. \$0.27 in prior year period**

Q1 2012 Results

		B/(W) than Q1 2011	
<i>(amounts in millions, except per share data)</i>	<u>Q1 2012</u>	\$	%
Revenue	\$ 1,988	\$ 170	9%
Gross Profit	\$ 312	\$ 25	9%
Operating Profit	\$ 53	\$ 5	10%
Continuing Ops:			
Profit (after tax)	\$ 19	\$ 4	24%
Diluted EPS	\$ 0.33	\$ 0.27	22%

SG&A to Gross



30 bps Improvement

Capital Spending

<i>(amounts in millions)</i>	YTD Q1 2012	Estimated 2012
Real Estate Acquisitions	\$ 0.0	\$ 14.5
All Other Cap Ex	<u>12.0</u>	<u>118.9</u>
Subtotal	\$ 12.0	\$ 133.4
Less: Mortgage Funding	<u>(10.7)</u>	<u>(33.5)</u>
Total Cash Used – Cap Ex	<u>\$ 1.3</u>	<u>\$ 99.9</u>

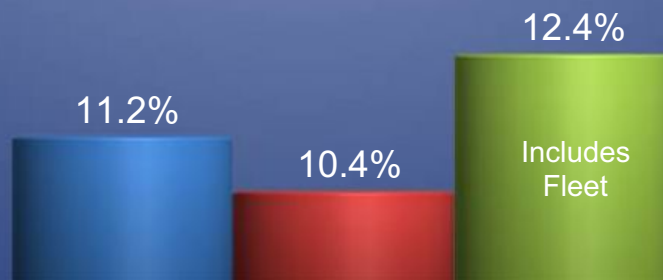
Debt Covenants

	Covenant	Actual Q1 2012
Liquidity Ratio	≥ 1.05	1.16
Fixed Charge Coverage Ratio	≥ 1.20	1.64
Total Lease Adjusted Leverage Ratio	≤ 5.50	3.95

Compliant with all Covenants

New Vehicles

	Q1 2012	Q1 2011	B/(W)
Retail Revenue	\$1.0 billion	\$909 million	12.1%
Retail Volume	29,685	26,703	11.2%
Selling Price	\$ 34,311	\$ 34,036	\$276
Gross Margin %	6.2%	6.3%	(10 bps)
GPU	\$ 2,131	\$ 2,155	(\$ 24)
Retail Gross Profit	\$ 63 million	\$ 58 million	9.9%



Pre-Owned Retail Vehicles

	Q1 2012	Q1 2011	B/(W)
Retail Volume	26,547	24,895	6.6%
Pre-Owned Related Gross*	\$ 84 million	\$ 76 million	\$ 8 million
Pre-Owned to New Ratio	.89 to 1	.93 to 1	

* - Includes: pre-owned vehicle + reconditioning + F&I gross

Used Retail Sales Per Store

Continue to make progress toward our goal of 100 per store per month



Fixed Operations

		B/(W) than Q1 2011	
<i>(amounts in millions)</i>	<u>Q1 2012</u>	\$	%
Revenue	\$ 302	\$ 15	5.1%
Gross Profit	\$ 147	\$ 6	3.9%

FY YOY Gross Profit Change Breakdown:

- Customer Pay Up 8.1%
- Whsl. Parts Up 7.3%
- Internal & Sublet Up 10.2%
- Warranty Down 14.2%

Summary and Outlook

- ❑ Continue to grow organically and improve our base business
- ❑ Automotive retail industry steadily increased in Q1
- ❑ Expect new vehicle inventories to normalize in Q2
- ❑ Investment in technology and training will continue

- ❑ Confirm 2012 continuing operations diluted earnings per share guidance of \$1.55 - \$1.65.



SONIC AUTOMOTIVE, INC. DECLARES QUARTERLY CASH DIVIDEND

CHARLOTTE, N.C. – April 23, 2012 – Sonic Automotive, Inc. (NYSE: SAH), a leader in automotive retailing, today announced that its Board of Directors approved a quarterly dividend of \$0.025 per share payable in cash for stockholders of record on June 15, 2012. The dividend will be payable on July 15, 2012.

Sonic Automotive, Inc., a Fortune 500 company based in Charlotte, N.C., is one of the nation's largest automotive retailers. Sonic can be reached on the web at www.sonicautomotive.com.

Included herein is a forward-looking statement pertaining to an anticipated cash dividend to shareholders. There are many factors that affect management's views about future events and trends of the Company's business. These factors involve risk and uncertainties that could cause actual results or trends to differ materially from management's view, including without limitation, economic conditions in the markets in which we operate, new and used vehicle sales volume, the success of our operational strategies, the rate and timing of overall economic recovery and the risk factors described in the Company's annual report on Form 10-K for the year ending December 31, 2011. The Company does not undertake any obligation to update forward-looking information.