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

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): October 28, 2015**

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**SONIC AUTOMOTIVE, INC.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-13395**  
(Commission  
File Number)

**56-2010790**  
(IRS Employer  
Identification No.)

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

**28211**  
(Zip Code)

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

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

On October 28, 2015, Sonic Automotive, Inc. (the "Company") issued a press release announcing its financial results for its fiscal third quarter ended September 30, 2015. A copy of the 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 28, 2015, the Company 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 October 28, 2015, reporting Sonic Automotive, Inc.'s financial results for the fiscal third quarter ended September 30, 2015
- 99.2 Earnings call presentation materials
- 99.3 Press release of Sonic Automotive, Inc., dated October 28, 2015, reporting quarterly cash dividend

The information in this Form 8-K, including the exhibits attached hereto, is being furnished and shall not be deemed "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 incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

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**SIGNATURES**

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

SONIC AUTOMOTIVE, INC.

Date: October 28, 2015

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

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**INDEX TO EXHIBITS**

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	Press release of Sonic Automotive, Inc., dated October 28, 2015, reporting Sonic Automotive, Inc.'s financial results for the fiscal third quarter ended September 30, 2015
99.2	Earnings call presentation materials
99.3	Press release of Sonic Automotive, Inc., dated October 28, 2015, reporting quarterly cash dividend

*Sonic Automotive, Inc. Reports Record Earnings*  
*Q3 2015 Diluted Continuing Operations Earnings per Share of \$0.53*

**Third Quarter 2015 Results**

- Record third quarter net income from continuing operations of \$27.1 million, up \$3.1 million, or 12.7% from the prior year period quarterly adjusted amount of \$24.0 million
- All-time record quarterly new retail sales of 36,891 units, up 1.6% over the prior year quarter
- All-time record quarterly pre-owned retail sales of 30,467 units, up 10.6% over the prior year quarter – retailed 100 pre-owned units per store per month in the quarter
- All-time record quarterly pre-owned gross profit of \$41.7 million, up 1.2% over the prior year quarter
- Record third quarter fixed operations gross profit of \$169.7 million, up 9.3% over the prior year quarter
- All-time quarterly total gross profit of \$360.3 million, up 5.5% over the prior year quarter
- Echo Park® stores retail 920 units, up 4.4% from the prior quarter

**CHARLOTTE, N.C.** – October 28, 2015 – Sonic Automotive, Inc. (NYSE: SAH), one of the nation’s largest automotive retailers, today reported net income from continuing operations for the third quarter of 2015 of \$27.1 million, or \$0.53 per diluted share. Included in these amounts are pre-tax expenses of \$3.7 million, or \$0.04 per diluted share, related to EchoPark® operations.

Adjusted net income from continuing operations for the third quarter of 2014 was \$24.0 million, or \$0.46 per diluted share. Included in these adjusted amounts are pre-tax expenses of \$3.6 million, or \$0.04 per diluted share, related to EchoPark® operations. On a GAAP basis, net income from continuing operations and related diluted earnings per share for the third quarter of 2014 were \$24.6 million and \$0.47 per share, respectively. See the accompanying tables for a reconciliation of the adjusted balances to GAAP basis amounts and further details of the quarterly adjustments.

B. Scott Smith, Sonic’s Chief Executive Officer, noted, “The overall increase in retail activity and our dedication to provide our customers with an outstanding buying and servicing experience contributed to record results during the quarter. The automotive retail environment continues to expand and present us with opportunities to strengthen and grow our business.”

“We are extremely excited about the development of our EchoPark® brand. Our EchoPark® stores continue to grow and we expect two additional stores to open in the Denver market in the first half of 2016. We are in the process of acquiring property in two additional markets as we look to accelerate the EchoPark rollout in the latter part of 2016 and early 2017.”

“During the quarter, our One Sonic-One Experience (“OSOE”) stores experienced year-over-year net new vehicle market share gains. Our customers love the speed and ease offered by this buying experience. We have been mystery shopped by various parties over the last year and have received rave reviews, notably, a July 20, 2015 review by Matt Jones, Senior Editor for Edmunds.com entitled, “Mystery Shopping Sonic Automotive’s New Sales Process.” We believe customers will come to the same conclusion Mr. Jones came to in the article... that we are onto something.”

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Jeff Dyke, Sonic's EVP of Operations, stated, "We continue to make progress on all fronts of our business. Our core business is performing well and steps that we have taken to increase inventory levels in pre-owned and our technician count are beginning to payoff. We are gaining share across all brands in our One Sonic-One Experience stores in Charlotte and should be ready to begin phase I of our technology rollout in the first quarter of 2016. We also continue to make excellent progress at our EchoPark stores and are right on our forecast. This is a very exciting time for our team that has worked countless hours to bring us to this point as we look forward to offering our guests an experience they simply cannot get anywhere else in the industry."

### **Third Quarter 2015 Earnings Conference Call**

Senior management will host a conference call today at 10:00 A.M. (Eastern) to discuss the quarter's results. To access the live broadcast of the call over the Internet go to: [www.sonicautomotive.com](http://www.sonicautomotive.com), then click on "Our Company," then "Investor Relations," then "Webcasts & Presentations."

Presentation materials for the conference call can be accessed on the Company's website at [www.sonicautomotive.com](http://www.sonicautomotive.com) by clicking on the "Investor Relations" tab under "Our Company" and choosing "Webcasts & Presentations."

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

Domestic: 1.877.450.3867  
International: 1.706.643.0958  
Conference ID: 30271525

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

Domestic: 1.855.859.2056  
International: 1.404.537.3406  
Conference ID: 30271525

### About Sonic Automotive

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

Included herein are forward-looking statements, including statements with respect to anticipated future success and impacts from the implementation of our planned customer experience and stand-alone pre-owned store 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

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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, 2014. The Company does not undertake any obligation to update forward-looking information.

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

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

This release contains certain non-GAAP financial measures as defined under SEC rules, such as, but not limited to, adjusted income from continuing operations and related earnings per share data. The Company has reconciled these measures to the most directly comparable GAAP measures in the release. The Company believes that these non-GAAP financial measures improve the transparency of the Company's disclosure by providing period-to-period comparability of the Company's results from operations.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(In thousands, except per share and unit data)			
<b>Revenues:</b>				
New retail vehicles	\$ 1,352,180	\$ 1,312,592	\$ 3,828,027	\$ 3,708,114
Fleet vehicles	15,849	15,245	37,612	65,120
Total new vehicles	1,368,029	1,327,837	3,865,639	3,773,234
Used vehicles	652,058	583,570	1,904,594	1,747,254
Wholesale vehicles	37,971	41,433	120,760	127,797
Total vehicles	2,058,058	1,952,840	5,890,993	5,648,285
Parts, service and collision repair	350,520	325,740	1,019,878	973,646
Finance, insurance and other, net	85,830	77,024	242,792	223,340
Total revenues	2,494,408	2,355,604	7,153,663	6,845,271
Gross profit	360,251	341,489	1,050,764	1,017,436
Selling, general and administrative expenses	(280,041)	(270,144)	(835,564)	(803,031)
Impairment charges	(37)	(208)	(16,698)	(215)
Depreciation and amortization	(17,250)	(14,235)	(50,953)	(43,047)
Operating income (loss)	62,923	56,902	147,549	171,143
<b>Other income (expense):</b>				
Interest expense, floor plan	(5,364)	(4,406)	(15,488)	(13,941)
Interest expense, other, net	(12,361)	(12,893)	(38,635)	(40,576)
Other income (expense), net	—	(1)	102	98
Total other income (expense)	(17,725)	(17,300)	(54,021)	(54,419)
Income (loss) from continuing operations before taxes	45,198	39,602	93,528	116,724
Provision for income taxes for continuing operations- benefit (expense)	(18,095)	(15,045)	(36,944)	(45,122)
Income (loss) from continuing operations	27,103	24,557	56,584	71,602
Income (loss) from discontinued operations	(598)	155	(1,331)	(511)
Net income (loss)	<u>\$ 26,505</u>	<u>\$ 24,712</u>	<u>\$ 55,253</u>	<u>\$ 71,091</u>
<b>Diluted earnings (loss) per common share:</b>				
Earnings (loss) per share from continuing operations	\$ 0.53	\$ 0.47	\$ 1.11	\$ 1.35
Earnings (loss) per share from discontinued operations	(0.01)	—	(0.03)	(0.01)
Earnings (loss) per common share	<u>\$ 0.52</u>	<u>\$ 0.47</u>	<u>\$ 1.08</u>	<u>\$ 1.34</u>
Weighted average common shares outstanding	50,769	52,553	51,086	52,808
<b>Gross Margin Data (Continuing Operations):</b>				
New retail vehicles	4.8%	5.3%	5.1%	5.6%
Fleet vehicles	(0.8%)	0.6%	(0.5%)	2.1%
Total new vehicles	4.8%	5.2%	5.0%	5.6%
Used vehicles	6.4%	7.1%	6.5%	6.8%
Wholesale vehicles	(6.5%)	(2.6%)	(4.4%)	(2.0%)
Parts, service and collision repair	48.4%	47.7%	48.7%	48.0%
Finance, insurance and other	100.0%	100.0%	100.0%	100.0%
Overall gross margin	14.4%	14.5%	14.7%	14.9%
<b>SG&amp;A Expenses (Continuing Operations):</b>				
Compensation	\$ 167,489	\$ 163,230	\$ 497,158	\$ 483,493
Advertising	15,470	14,045	46,160	42,027
Rent	18,558	18,145	55,058	55,324
Other	78,524	74,724	237,188	222,187
Total SG&A expenses	<u>\$ 280,041</u>	<u>\$ 270,144</u>	<u>\$ 835,564</u>	<u>\$ 803,031</u>
SG&A expenses as % of gross profit	77.7%	79.1%	79.5%	78.9%
Operating Margin %	2.5%	2.4%	2.1%	2.5%
<b>Unit Data (Continuing Operations):</b>				
New retail units	36,891	36,301	102,901	101,177
Fleet units	602	473	1,244	2,133
Total new units	37,493	36,774	104,145	103,310
Used units	30,467	27,536	88,903	83,707
Wholesale units	7,787	7,916	23,574	23,034



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

*Per Share Data*

	Three Months Ended September 30, 2015						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Average		Net Income (Loss)	
		Per Share		Per Share		Per Share	
		Amount	Amount	Amount	Amount	Amount	Amount
(In thousands, except per share amounts)							
<b>Reported:</b>							
Earnings (loss) and shares	50,456	\$27,103		\$ (598)		\$26,505	
Effect of participating securities:							
Non-vested restricted stock and stock units		(13)		—		(13)	
Basic earnings (loss) and shares	50,456	\$27,090	\$ 0.54	\$ (598)	\$ (0.01)	\$26,492	\$ 0.53
Effect of dilutive securities:							
Stock compensation plans	313						
Diluted earnings (loss) and shares (1)	<u>50,769</u>	<u>\$27,090</u>	<u>\$ 0.53</u>	<u>\$ (598)</u>	<u>\$ (0.01)</u>	<u>\$26,492</u>	<u>\$ 0.52</u>

(1) Expenses attributable to EchoPark® operations were \$0.04 per fully diluted share in the three months ended September 30, 2015.

	Three Months Ended September 30, 2014						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Per Share		Per Share		Per Share	
		Amount	Amount	Amount	Amount	Amount	Amount
(In thousands, except per share amounts)							
<b>Reported:</b>							
Earnings (loss) and shares	52,070	\$24,557		\$ 155		\$24,712	
Effect of participating securities:							
Non-vested restricted stock and stock units		(79)		—		(79)	
Basic earnings (loss) and shares	52,070	\$24,478	\$ 0.47	\$ 155	\$ —	\$24,633	\$ 0.47
Effect of dilutive securities:							
Stock compensation plans	483						
Diluted earnings (loss) and shares	<u>52,553</u>	<u>\$24,478</u>	<u>\$ 0.47</u>	<u>\$ 155</u>	<u>\$ —</u>	<u>\$24,633</u>	<u>\$ 0.47</u>
<b>Adjustments (net of tax):</b>							
Gain on disposal		\$ (1,953)	\$ (0.04)	\$ —	\$ —	\$ (1,953)	\$ (0.04)
Impairment charges		126	—	—	—	126	—
Storm damage and other		1,317	0.03	—	—	1,317	0.03
Lease exit adjustments		—	—	(845)	(0.02)	(845)	(0.02)
Total adjustments		\$ (510)	\$ (0.01)	\$ (845)	\$ (0.02)	\$ (1,355)	\$ (0.03)
<b>Adjusted:</b>							
Earnings (loss) and							
Diluted earnings (loss) per share (2)		\$24,047	<u>\$ 0.46</u>	\$ (690)	<u>\$ (0.02)</u>	\$23,357	<u>\$ 0.44</u>

(2) Expenses attributable to EchoPark® operations were \$0.04 per fully diluted share in the three months ended September 30, 2014.

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

**Per Share Data**

	Nine Months Ended September 30, 2015						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Amount	Per Share Amount	Amount	Per Share Amount	Amount	Per Share Amount
			(In thousands, except per share amounts)				
<b>Reported:</b>							
Earnings (loss) and shares	50,697	\$56,584		\$(1,331)		\$55,253	
Effect of participating securities:							
Non-vested restricted stock and stock units		(27)		—		(27)	
Basic earnings (loss) and shares	50,697	\$56,557	\$ 1.12	\$(1,331)	\$ (0.03)	\$55,226	\$ 1.09
Effect of dilutive securities:							
Stock compensation plans	389						
Diluted earnings (loss) and shares	<u>51,086</u>	<u>\$56,557</u>	<u>\$ 1.11</u>	<u>\$(1,331)</u>	<u>\$ (0.03)</u>	<u>\$55,226</u>	<u>\$ 1.08</u>
<b>Adjustments (net of tax):</b>							
Gain on disposal		\$ (583)	\$ (0.01)	\$ —	\$ —	\$ (583)	\$ (0.01)
Impairment charges		10,166	0.20	—	—	10,166	0.20
Storm damage and other		3,132	0.06	—	—	3,132	0.06
Total adjustments		\$12,715	\$ 0.25	\$ —	\$ —	\$12,715	\$ 0.25
<b>Adjusted:</b>							
Earnings (loss) and							
Diluted earnings (loss) per share (3)		\$69,299	<u>\$ 1.36</u>	\$(1,331)	<u>\$ (0.03)</u>	\$67,968	<u>\$ 1.33</u>

(3) Expenses attributable to EchoPark® operations were \$0.15 per fully diluted share in the nine months ended September 30, 2015.

	Nine Months Ended September 30, 2014						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Amount	Per Share Amount	Amount	Per Share Amount	Amount	Per Share Amount
			(In thousands, except per share amounts)				
<b>Reported:</b>							
Earnings (loss) and shares	52,333	\$71,602		\$ (511)		\$71,091	
Effect of participating securities:							
Non-vested restricted stock and stock units		(229)		—		(229)	
Basic earnings (loss) and shares	52,333	\$71,373	\$ 1.36	\$ (511)	\$ (0.01)	\$70,862	\$ 1.35
Effect of dilutive securities:							
Stock compensation plans	475						
Diluted earnings (loss) and shares	<u>52,808</u>	<u>\$71,373</u>	<u>\$ 1.35</u>	<u>\$ (511)</u>	<u>\$ (0.01)</u>	<u>\$70,862</u>	<u>\$ 1.34</u>
<b>Adjustments (net of tax):</b>							
Gain on disposal		\$ (6,400)	\$ (0.12)	\$ —	\$ —	\$ (6,400)	\$ (0.12)
Impairment charges		126	—	—	—	126	—
Storm damage and other		2,158	0.04	—	—	2,158	0.04
Lease exit adjustments		—	—	(845)	(0.01)	(845)	(0.01)
Total adjustments		\$ (4,116)	\$ (0.08)	\$ (845)	\$ (0.01)	\$ (4,961)	\$ (0.09)
<b>Adjusted:</b>							
Earnings (loss) and							
Diluted earnings (loss) per share (4)		\$67,486	<u>\$ 1.27</u>	\$(1,356)	<u>\$ (0.02)</u>	\$66,130	<u>\$ 1.25</u>

(4) Expenses attributable to EchoPark® operations were \$0.10 per fully diluted share in the nine months ended September 30, 2014.

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

*New Vehicles*

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
	(In thousands, except units and per unit data)			
<b>Reported:</b>				
Revenue	\$ 1,368,029	\$ 1,327,837	\$ 40,192	3.0%
Gross profit	\$ 65,435	\$ 69,026	\$ (3,591)	(5.2%)
Unit sales	37,493	36,774	719	2.0%
Revenue per unit	\$ 36,488	\$ 36,108	\$ 380	1.1%
Gross profit per unit	\$ 1,745	\$ 1,877	\$ (132)	(7.0%)
Gross profit as a % of revenue	4.8%	5.2%	(40) bps	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
	(In thousands, except units and per unit data)			
<b>Reported:</b>				
Revenue	\$ 3,865,639	\$ 3,773,234	\$ 92,405	2.4%
Gross profit	\$ 193,720	\$ 209,892	\$ (16,172)	(7.7%)
Unit sales	104,145	103,310	835	0.8%
Revenue per unit	\$ 37,118	\$ 36,523	\$ 595	1.6%
Gross profit per unit	\$ 1,860	\$ 2,032	\$ (172)	(8.5%)
Gross profit as a % of revenue	5.0%	5.6%	(60) bps	

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
	(In thousands, except units and per unit data)			
<b>Same Store:</b>				
Revenue	\$ 1,357,281	\$ 1,307,800	\$ 49,481	3.8%
Gross profit	\$ 64,860	\$ 67,826	\$ (2,966)	(4.4%)
Unit sales	37,147	36,143	1,004	2.8%
Revenue per unit	\$ 36,538	\$ 36,184	\$ 354	1.0%
Gross profit per unit	\$ 1,746	\$ 1,877	\$ (131)	(7.0%)
Gross profit as a % of revenue	4.8%	5.2%	(40) bps	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
	(In thousands, except units and per unit data)			
<b>Same Store:</b>				
Revenue	\$ 3,830,202	\$ 3,670,736	\$159,466	4.3%
Gross profit	\$ 192,086	\$ 204,223	\$ (12,137)	(5.9%)
Unit sales	103,058	100,350	2,708	2.7%
Revenue per unit	\$ 37,165	\$ 36,579	\$ 586	1.6%
Gross profit per unit	\$ 1,864	\$ 2,035	\$ (171)	(8.4%)
Gross profit as a % of revenue	5.0%	5.6%	(60) bps	

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

*Used Vehicles*

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Reported:</b>				
Revenue	\$ 652,058	\$ 583,570	\$ 68,488	11.7%
Gross profit	\$ 41,730	\$ 41,245	\$ 485	1.2%
Unit sales	30,467	27,536	2,931	10.6%
Revenue per unit	\$ 21,402	\$ 21,193	\$ 209	1.0%
Gross profit per unit	\$ 1,370	\$ 1,498	\$ (128)	(8.5%)
Gross profit as a % of revenue	6.4%	7.1%	(70) bps	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Reported:</b>				
Revenue	\$ 1,904,594	\$ 1,747,254	\$157,340	9.0%
Gross profit	\$ 123,271	\$ 119,412	\$ 3,859	3.2%
Unit sales	88,903	83,707	5,196	6.2%
Revenue per unit	\$ 21,423	\$ 20,873	\$ 550	2.6%
Gross profit per unit	\$ 1,387	\$ 1,427	\$ (40)	(2.8%)
Gross profit as a % of revenue	6.5%	6.8%	(30) bps	

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Same Store:</b>				
Revenue	\$ 625,760	\$ 571,295	\$ 54,465	9.5%
Gross profit	\$ 40,288	\$ 40,816	\$ (528)	(1.3%)
Unit sales	29,173	26,902	2,271	8.4%
Revenue per unit	\$ 21,450	\$ 21,236	\$ 214	1.0%
Gross profit per unit	\$ 1,381	\$ 1,517	\$ (136)	(9.0%)
Gross profit as a % of revenue	6.4%	7.1%	(70) bps	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Same Store:</b>				
Revenue	\$ 1,831,379	\$ 1,689,958	\$141,421	8.4%
Gross profit	\$ 119,184	\$ 116,749	\$ 2,435	2.1%
Unit sales	85,225	80,900	4,325	5.3%
Revenue per unit	\$ 21,489	\$ 20,889	\$ 600	2.9%
Gross profit per unit	\$ 1,398	\$ 1,443	\$ (45)	(3.1%)
Gross profit as a % of revenue	6.5%	6.9%	(40) bps	

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

*Wholesale Vehicles*

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Reported:</b>				
Revenue	\$ 37,971	\$ 41,433	\$(3,462)	(8.4%)
Gross profit (loss)	\$ (2,481)	\$ (1,086)	\$(1,395)	(128.5%)
Unit sales	7,787	7,916	(129)	(1.6%)
Revenue per unit	\$ 4,876	\$ 5,234	\$ (358)	(6.8%)
Gross profit (loss) per unit	\$ (319)	\$ (137)	\$ (182)	(132.8%)
Gross profit (loss) as a % of revenue	(6.5%)	(2.6%)	(390) bps	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Reported:</b>				
Revenue	\$ 120,760	\$ 127,797	\$(7,037)	(5.5%)
Gross profit (loss)	\$ (5,366)	\$ (2,493)	\$(2,873)	(115.2%)
Unit sales	23,574	23,034	540	2.3%
Revenue per unit	\$ 5,123	\$ 5,548	\$ (425)	(7.7%)
Gross profit (loss) per unit	\$ (228)	\$ (108)	\$ (120)	(111.1%)
Gross profit (loss) as a % of revenue	(4.4%)	(2.0%)	(240) bps	

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Same Store:</b>				
Revenue	\$ 36,803	\$ 40,338	\$(3,535)	(8.8%)
Gross profit (loss)	\$ (2,445)	\$ (1,065)	\$(1,380)	(129.6%)
Unit sales	7,463	7,750	(287)	(3.7%)
Revenue per unit	\$ 4,931	\$ 5,205	\$ (274)	(5.3%)
Gross profit (loss) per unit	\$ (328)	\$ (137)	\$ (191)	(139.4%)
Gross profit (loss) as a % of revenue	(6.6%)	(2.6%)	(400) bps	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	2015	2014	Change	% Change
(In thousands, except units and per unit data)				
<b>Same Store:</b>				
Revenue	\$ 117,037	\$ 123,910	\$(6,873)	(5.5%)
Gross profit (loss)	\$ (4,969)	\$ (2,396)	\$(2,573)	(107.4%)
Unit sales	22,622	22,371	251	1.1%
Revenue per unit	\$ 5,174	\$ 5,539	\$ (365)	(6.6%)
Gross profit (loss) per unit	\$ (220)	\$ (107)	\$ (113)	(105.6%)
Gross profit (loss) as a % of revenue	(4.2%)	(1.9%)	(230) bps	

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

*Parts, Service and Collision Repair ("Fixed Operations")*

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands)				
<b>Reported:</b>				
Revenue				
Customer pay	\$ 147,308	\$ 141,458	\$ 5,850	4.1%
Warranty	58,522	48,431	10,091	20.8%
Wholesale parts	45,832	46,983	(1,151)	(2.4%)
Internal, sublet and other	98,858	88,868	9,990	11.2%
Total	<u>\$ 350,520</u>	<u>\$ 325,740</u>	<u>\$24,780</u>	<u>7.6%</u>
Gross profit				
Customer pay	\$ 80,588	\$ 77,546	\$ 3,042	3.9%
Warranty	32,337	26,254	6,083	23.2%
Wholesale parts	8,045	8,122	(77)	(0.9%)
Internal, sublet and other	48,767	43,358	5,409	12.5%
Total	<u>\$ 169,737</u>	<u>\$ 155,280</u>	<u>\$14,457</u>	<u>9.3%</u>
Gross profit as a % of revenue				
Customer pay	54.7%	54.8%	(10) bps	
Warranty	55.3%	54.2%	110 bps	
Wholesale parts	17.6%	17.3%	30 bps	
Internal, sublet and other	49.3%	48.8%	50 bps	
Total	<u>48.4%</u>	<u>47.7%</u>	<u>70 bps</u>	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands)				
<b>Reported:</b>				
Revenue				
Customer pay	\$ 431,479	\$ 427,620	\$ 3,859	0.9%
Warranty	169,170	142,072	27,098	19.1%
Wholesale parts	136,693	142,071	(5,378)	(3.8%)
Internal, sublet and other	282,536	261,883	20,653	7.9%
Total	<u>\$ 1,019,878</u>	<u>\$ 973,646</u>	<u>\$46,232</u>	<u>4.7%</u>
Gross profit				
Customer pay	\$ 236,551	\$ 235,151	\$ 1,400	0.6%
Warranty	94,776	77,163	17,613	22.8%
Wholesale parts	24,332	24,590	(258)	(1.0%)
Internal, sublet and other	140,688	130,381	10,307	7.9%
Total	<u>\$ 496,347</u>	<u>\$ 467,285</u>	<u>\$29,062</u>	<u>6.2%</u>
Gross profit as a % of revenue				
Customer pay	54.8%	55.0%	(20) bps	
Warranty	56.0%	54.3%	170 bps	
Wholesale parts	17.8%	17.3%	50 bps	
Internal, sublet and other	49.8%	49.8%	0 bps	
Total	<u>48.7%</u>	<u>48.0%</u>	<u>70 bps</u>	

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

*Parts, Service and Collision Repair ("Fixed Operations")*

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands)				
<b>Same Store:</b>				
Revenue				
Customer pay	\$ 146,360	\$ 139,186	\$ 7,174	5.2%
Warranty	58,128	47,460	10,668	22.5%
Wholesale parts	45,561	46,041	(480)	(1.0%)
Internal, sublet and other	96,460	87,261	9,199	10.5%
Total	<u>\$ 346,509</u>	<u>\$ 319,948</u>	<u>\$26,561</u>	<u>8.3%</u>
Gross profit				
Customer pay	\$ 80,053	\$ 76,324	\$ 3,729	4.9%
Warranty	32,216	25,784	6,432	24.9%
Wholesale parts	7,979	7,941	38	0.5%
Internal, sublet and other	47,440	42,418	5,022	11.8%
Total	<u>\$ 167,688</u>	<u>\$ 152,467</u>	<u>\$15,221</u>	<u>10.0%</u>
Gross profit as a % of revenue				
Customer pay	54.7%	54.8%	(10) bps	
Warranty	55.4%	54.3%	110 bps	
Wholesale parts	17.5%	17.2%	30 bps	
Internal, sublet and other	49.2%	48.6%	60 bps	
Total	<u>48.4%</u>	<u>47.7%</u>	<u>70 bps</u>	

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands)				
<b>Same Store:</b>				
Revenue				
Customer pay	\$ 426,683	\$ 415,998	\$10,685	2.6%
Warranty	167,771	137,297	30,474	22.2%
Wholesale parts	135,643	138,563	(2,920)	(2.1%)
Internal, sublet and other	274,892	254,753	20,139	7.9%
Total	<u>\$ 1,004,989</u>	<u>\$ 946,611</u>	<u>\$58,378</u>	<u>6.2%</u>
Gross profit				
Customer pay	\$ 234,006	\$ 228,983	\$ 5,023	2.2%
Warranty	94,108	74,684	19,424	26.0%
Wholesale parts	24,114	23,912	202	0.8%
Internal, sublet and other	136,931	126,192	10,739	8.5%
Total	<u>\$ 489,159</u>	<u>\$ 453,771</u>	<u>\$35,388</u>	<u>7.8%</u>
Gross profit as a % of revenue				
Customer pay	54.8%	55.0%	(20) bps	
Warranty	56.1%	54.4%	170 bps	
Wholesale parts	17.8%	17.3%	50 bps	
Internal, sublet and other	49.8%	49.5%	30 bps	
Total	<u>48.7%</u>	<u>47.9%</u>	<u>80 bps</u>	

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

*Finance, Insurance and Other, Net ("F&I")*

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands, except per unit data)				
<b>Reported:</b>				
Revenue	\$ 85,830	\$ 77,024	\$ 8,806	11.4%
Gross profit per retail unit (excludes fleet)	\$ 1,274	\$ 1,207	\$ 67	5.6%

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands, except per unit data)				
<b>Reported:</b>				
Revenue	\$ 242,792	\$ 223,340	\$19,452	8.7%
Gross profit per retail unit (excludes fleet)	\$ 1,266	\$ 1,208	\$ 58	4.8%

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands, except per unit data)				
<b>Same Store:</b>				
Revenue	\$ 84,052	\$ 75,797	\$ 8,255	10.9%
Gross profit per retail unit (excludes fleet)	\$ 1,279	\$ 1,211	\$ 68	5.6%

	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands, except per unit data)				
<b>Same Store:</b>				
Revenue	\$ 237,771	\$ 217,216	\$20,555	9.5%
Gross profit per retail unit (excludes fleet)	\$ 1,271	\$ 1,213	\$ 58	4.8%



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

*Selling, General and Administrative ("SG&A") Expenses*

	<u>Three Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands)				
<b>Reported:</b>				
Compensation	\$ 167,489	\$ 163,230	\$ (4,259)	(2.6%)
Advertising	15,470	14,045	(1,425)	(10.1%)
Rent	18,558	18,145	(413)	(2.3%)
Other	<u>78,524</u>	<u>74,724</u>	<u>(3,800)</u>	<u>(5.1%)</u>
Total	<u>\$ 280,041</u>	<u>\$ 270,144</u>	<u>\$ (9,897)</u>	<u>(3.7%)</u>
Total pre-tax adjustments	—	1,043		
Adjusted SG&A	\$ 280,041	\$ 271,187		
<b>SG&amp;A expenses as a % of gross profit</b>				
Compensation	46.5%	47.8%	130 bps	
Advertising	4.3%	4.1%	(20) bps	
Rent	5.2%	5.3%	10 bps	
Other	<u>21.7%</u>	<u>21.9%</u>	<u>20 bps</u>	
Total	77.7%	79.1%	140 bps	
Total pre-tax adjustments	0.0%	0.3%		
Adjusted SG&A as % of Gross	77.7%	79.4%		
	<u>Nine Months Ended September 30,</u>		<u>Better / (Worse)</u>	
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
(In thousands)				
<b>Reported:</b>				
Compensation	\$ 497,158	\$ 483,493	\$(13,665)	(2.8%)
Advertising	46,160	42,027	(4,133)	(9.8%)
Rent	55,058	55,324	266	0.5%
Other	<u>237,188</u>	<u>222,187</u>	<u>(15,001)</u>	<u>(6.8%)</u>
Total	<u>\$ 835,564</u>	<u>\$ 803,031</u>	<u>\$(32,533)</u>	<u>(4.1%)</u>
Total pre-tax adjustments	(4,183)	6,955		
Adjusted SG&A	\$ 831,381	\$ 809,986		
<b>SG&amp;A expenses as a % of gross profit</b>				
Compensation	47.3%	47.5%	20 bps	
Advertising	4.4%	4.1%	(30) bps	
Rent	5.2%	5.4%	20 bps	
Other	<u>22.6%</u>	<u>21.9%</u>	<u>(70) bps</u>	
Total	79.5%	78.9%	(60) bps	
Total pre-tax adjustments	(0.4%)	0.7%		
Adjusted SG&A as % of Gross	79.1%	79.6%		

# Q3 2015 EARNINGS REVIEW

## OCTOBER 28, 2015



# 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, anticipated 2015 industry new vehicle sales volume, the implementation of growth and operating strategies, including acquisitions of dealerships and properties, the development of open points and stand-alone pre-owned stores, the return of capital to shareholders, 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, 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, (d) new and pre-owned vehicle sales volume, and (e) earnings expectations for the year ending December 31, 2015. 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 ended December 31, 2014.

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.

# **CONTENT**

- **STRATEGIC FOCUS**
- **FINANCIAL RESULTS**
- **OPERATIONS REVIEW**
- **SUMMARY AND OUTLOOK**

# STRATEGIC FOCUS

1. Growth
  - One Sonic-One Experience
  - EchoPark®
  - Acquisitions & Open Points
2. Own Our Properties
3. Return Capital to Shareholders

# STRATEGIC FOCUS

## ONE SONIC-ONE EXPERIENCE (OSOE)

- Goals
  - 1 Associate, 1 Price, 1 Hour
  - Improve Transparency; Increase Trust
  - Operational Efficiencies
  - Grow Market Share
  - Feed Fixed Operations
- Multi-Year Implementation
- Charlotte Market in Optimization Phase
- Technology Being Introduced into Additional Markets

**ONE SONIC<sup>1</sup>**  
**ONE EXPERIENCE.**

# STRATEGIC FOCUS

EchoPark®



- **Denver Market with three stores open and four additional planned openings in next 12 months**
- **Currently acquiring property for expansion into an additional market**

# STRATEGIC FOCUS

## ACQUISITIONS & OPEN POINTS

- Open Points
  - ❑ Mercedes Benz in Dallas Market
    - Operational in 2016
  - ❑ Audi in Pensacola Market
    - Operational in 2016
  - ❑ Nissan in TN Market
    - Operational in late 2016 / early 2017
- Exploring Acquisition and Open Point Opportunities in Other Markets



# STRATEGIC FOCUS

## OWN OUR PROPERTIES

Expect to be  
Nearly **40%**  
at 12/31/15



# STRATEGIC FOCUS

## RETURN CAPITAL TO SHAREHOLDERS

	<b>Shares</b> <small>(in thousands)</small>	<b>Average Price / Share</b>	<b>\$</b> <small>(in millions)</small>
Q3 2015 Activity	802	21.53	\$17.3
2015 Activity	1,401	\$ 22.87	\$ 32.0

- YTD Repurchased 2.8% of outstanding shares as of 12/31/2014
- Unused Authorization of Approximately \$ 47 million
- Increased Quarterly Dividend 50% to \$0.0375 Per Share

An aerial photograph of a winding asphalt road through a dense forest. The entire image has a strong red color cast. The road curves from the bottom left towards the top right. The text "Q3 2015 FINANCIAL REVIEW" is centered over the road.

**Q3 2015  
FINANCIAL REVIEW**





**Q3 2015 FINANCIAL REVIEW  
FRANCHISED DEALERSHIPS**



# FRANCHISED DEALERSHIPS

		B/(W) than Q3 2014 <sup>(1)</sup>	
(amounts in millions, except per share data)	<u>Q3 2015</u>	\$	%
Revenue	\$ 2,472	\$ 116	5.0%
Gross Profit	\$ 357	\$ 16	4.6%
SG&A as % of Gross	76.8%	150 bps	
Operating Profit	\$ 66	\$ 7	11.0%
Interest & Other	\$ 17	(\$ 0)	(0.7%)
Pretax	\$ 49	\$ 6	15.3%
Diluted EPS	\$ 0.57	\$ 0.07	14.0%

Note – Continuing operations includes results of sold stores after March 31, 2014.

(1) – Q3 2014 amounts are adjusted. See appendix for reconciliation of adjusted amounts to GAAP amounts





**Q3 2015 FINANCIAL REVIEW**  
**ECHOPARK®**



# EchoPark®

		B/(W) than Q3 2014
(amounts in millions, except per share data)	<u>Q3 2015</u>	\$
Revenue	\$ 22	n/a
Gross Profit	\$ 3	n/a
Operating Profit	(\$ 4)	\$ 0
Interest & Other	\$ 0	(\$ 0)
Pre-tax Profit (Loss)	(\$ 4)	(\$ 0)
Diluted EPS Impact	(\$ 0.04)	\$ 0.00
Store Level (retail units)	920	n/a
GPU	\$ 1,470	n/a
F&I (\$/unit)	\$ 927	n/a



**Q3 2015 FINANCIAL REVIEW  
TOTAL ENTERPRISE**





# CONSOLIDATED Q3 2015 RESULTS

		B/(W) than Q3 2014 <sup>(1)</sup>	
(amounts in millions, except per share data)	<u>Q3 2015</u>	\$	%
Revenue	\$ 2,494	\$ 139	5.9%
Gross Profit	\$ 360	\$ 19	5.5%
Operating Profit	\$ 63	\$ 7	12.2%
Interest & Other	\$ 18	(\$ 0)	(2.5%)
Continuing Ops:			
Profit (after tax)	\$ 27	\$ 3	12.7%
Diluted EPS	\$ 0.53	\$ 0.07	15.2%
SG&A as % of Gross	77.7%	170 bps	
Discontinued Ops Profit/(Loss) (after tax)	(\$ 1)	\$ 0	

Note – Continuing operations includes results of sold stores after March 31, 2014.

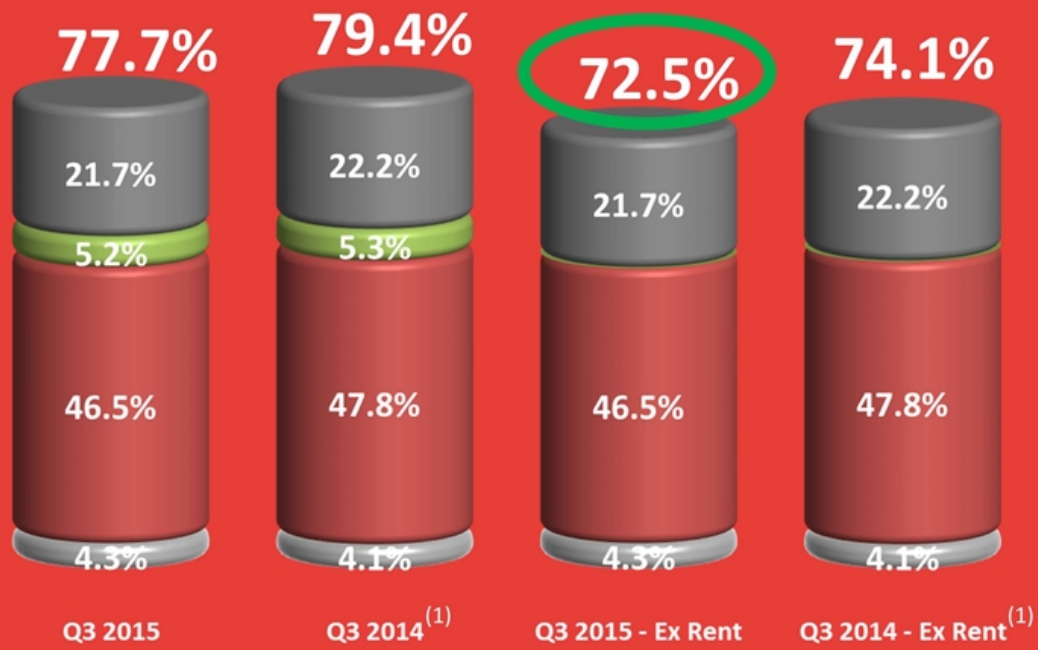
(1) – Q3 2014 amounts are adjusted. See appendix for reconciliation of adjusted amounts to GAAP amounts



# REVENUE & GROSS PROFIT Q3 2015

		B/(W) than Q3 2014	
(amounts in millions, except per share data)	<u>Q3 2015</u>	\$	%
New Retail Revenue	\$ 1,352	\$ 40	3.0%
Used Retail Revenue	\$ 652	\$ 68	11.7%
Fixed Operations Revenue	\$ 350	\$ 25	7.6%
F&I Revenue	\$ 86	\$ 9	11.4%
Total Revenue	\$ 2,494	\$ 139	5.9%
New Retail Gross	\$ 66	(\$ 3)	(4.9%)
Used Retail Gross	\$ 42	\$ 0	1.2%
Fixed Operations Gross	\$ 170	\$ 14	9.3%
F&I Gross	\$ 86	\$ 9	11.4%
Total Gross	\$ 360	\$ 19	5.5%

# SG&A TO GROSS

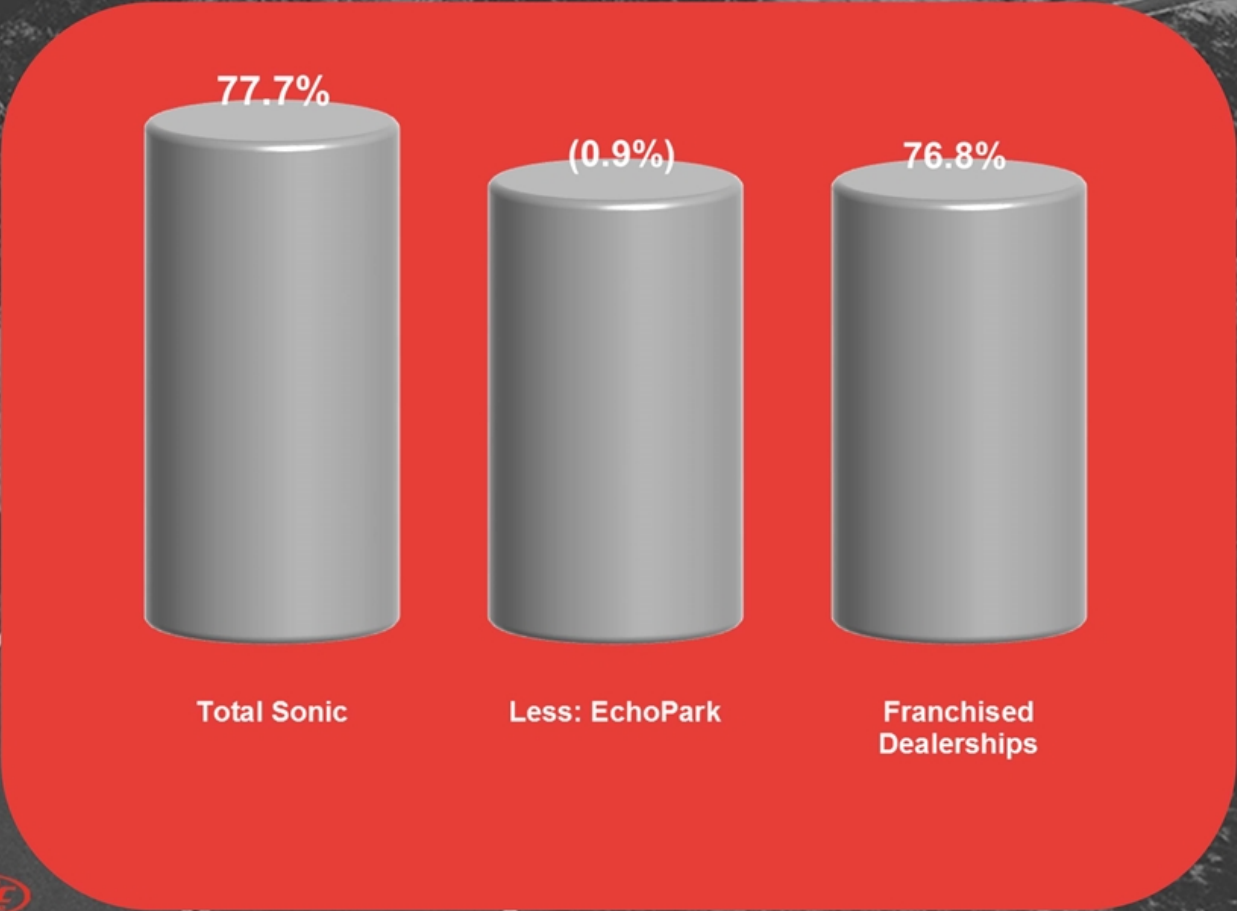


■ Advertising
 ■ Comp
 ■ Rent
 ■ Other

(1) – Q3 2014 amounts are adjusted. See appendix for reconciliation of adjusted amounts to GAAP amounts



# Q3 2015 SG&A TO GROSS



# ADJUSTED AND GAAP EPS SUMMARY

## Continuing Operations

(amounts in millions, except per share date)	Q3 2015		Q3 2014	
	Pre-Tax	EPS	Pre-Tax	EPS
Franchised	\$48.9	\$ 0.57	\$ 42.4	\$0.50
EchoPark®	<u>(\$3.7)</u>	<u>(\$0.04)</u>	<u>(\$ 3.6)</u>	<u>(\$ 0.04)</u>
<b>Adjusted Total</b>	<b>\$ 45.2</b>	<b>\$ 0.53</b>	<b>\$38.8</b>	<b>\$ 0.46</b>
Adjustments:				
Gain on Disposal	(\$0.0)	(\$ 0.00)	\$ 3.2	\$ 0.04
Physical Damage	(\$0.0)	(\$0.00)	(\$ 2.2)	(\$0.03)
Other	(\$0.0)	<u>(\$ 0.00)</u>	(\$ 0.2)	<u>(\$ 0.0)</u>
<b>GAAP EPS</b>		<b><u>\$ 0.53</u></b>		<b><u>\$ 0.47</u></b>

# CAPITAL SPEND

(amounts in millions)	YTD Q3 2015	Estimated 2015
Real Estate & Facility Related	\$ 97.1	\$ 141.2
All Other Cap Ex	<u>30.1</u>	<u>34.5</u>
Subtotal	\$127.2	\$175.7
Less: Mortgage Funding	<u>(65.0)</u>	<u>(73.5)</u>
Total Cash Used – Cap Ex	<u>\$ 62.2</u>	<u>\$ 102.2</u>

Note – Spending excludes the effect of franchise acquisitions.

# LIQUIDITY

(amounts in millions)	Q3 2015	Q4 2014
Cash	\$ 2.5	\$ 4.2
Revolver Availability	152.6	165.6
Used floor plan availability	58.1	22.6
Floor plan deposit balance	<u>74.0</u>	<u>57.5</u>
Total	<u>\$ 287.2</u>	\$ 249.9

# DEBT COVENANTS

	Covenant	Actual Q3 2015
Liquidity Ratio	$\geq 1.05$	1.20
Fixed Charge Coverage Ratio	$\geq 1.20$	1.78
Total Lease Adjusted Leverage Ratio	$\leq 5.50$	4.13

Compliant with all Covenants



# OPERATIONS REVIEW



# NEW VEHICLE RETAIL SAME STORE

	Q3 2015	Q3 2014	B/(W)
Volume	36,545	35,670	2.5%
Selling Price	\$ 36,706	\$ 36,236	1.3%
Gross Margin %	4.8%	5.2%	(40 bps)
GPU	\$ 1,778	\$ 1,899	(\$ 120)
Gross Profit	\$ 65 million	\$ 68 million	(4.0%)
SAAR (includes fleet)	17.8 million	16.8 million	6.0%

All-time  
volume  
record for  
current store  
group



# USED VEHICLE RETAIL SAME STORE

	Q3 2015	Q3 2014	B/(W)
Retail Volume	29,173	26,902	8.4%
Used Retail GPU	\$ 1,381	\$ 1,517	(\$ 136)
Used to New	0.80:1.00	0.75:1.00	0.05
Vehicles / store / month (97 stores)	100	92	2 <sup>nd</sup>

All-time  
volume  
record for  
ANY store  
group

2<sup>nd</sup>  
consecutive  
quarter of  
100 vehicles  
per store, per  
month



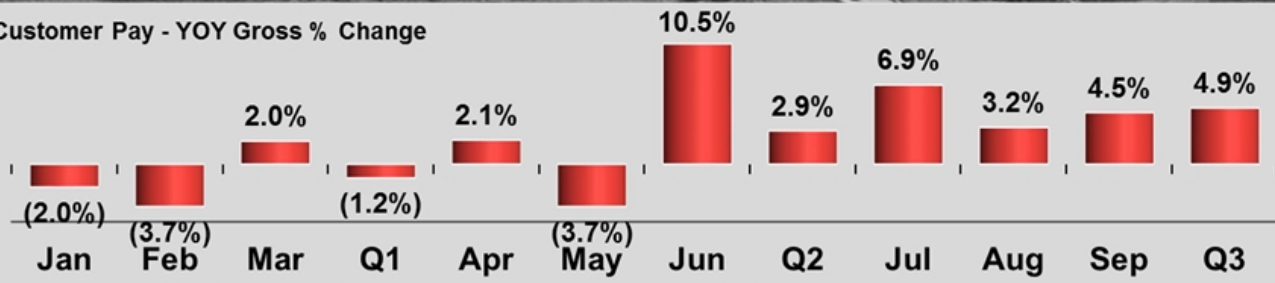
# FIXED OPS SAME STORE

	Q3 2015	B/(W) than Q3 2014	
(amounts in millions)		\$	%
Revenue	\$ 347	\$ 27	8.3%
Gross Profit	\$ 168	\$ 15	10.0%

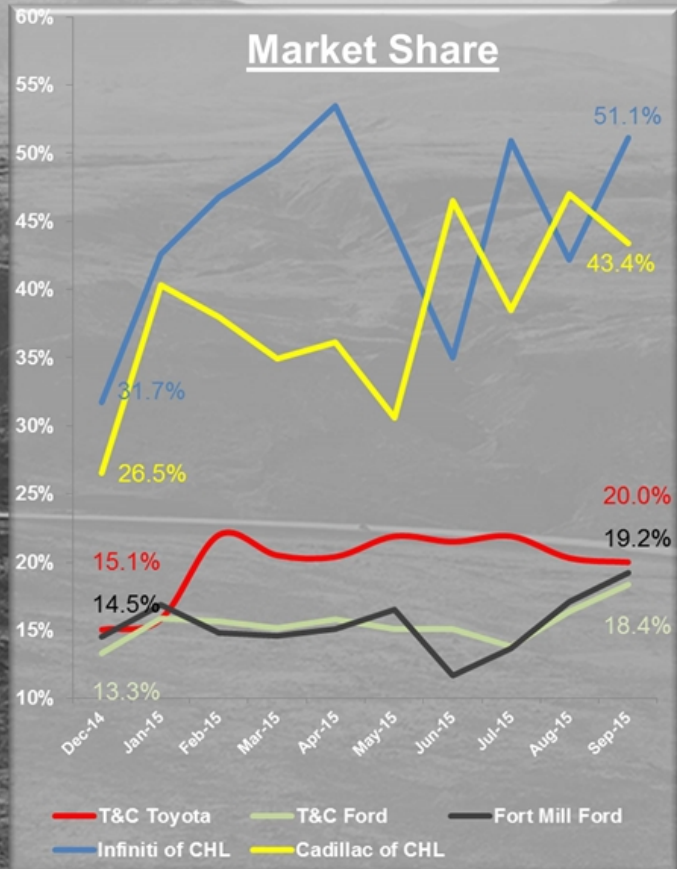
## YOY Gross % Change



## Customer Pay - YOY Gross % Change



# OSOE



## Technology Rollout

### Phase I Start Q1 2016

- ✓ - CRM
- ✓ - Appraisal
- ✓ - Desking Tool

### Phase II Start – 9-12 Months Later

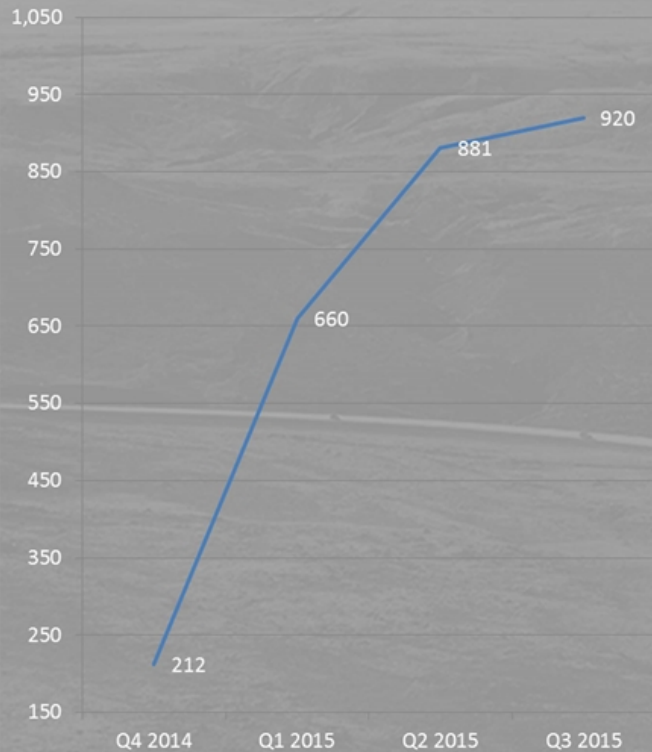
- ✓ F&I Tool

### Phase III Start 18-24 Months Later

- ✓ Pricing
- ✓ Inventory Management
- ✓ Compensation
- ✓ Branding



## Retail Unit Sales



## Performance Highlights

- Store volume continues to grow
- Margins are exceeding expectations
- Buying & Recon process being supported by Manheim
- Generation III facility has been developed cutting cost and creating efficiency while brand supportive
- M&A team busy acquiring properties
- Financial projections are being met
- Increasing our speed to market
- Technology is a major advantage

# SUMMARY

- ❑ Expect sales growth to continue across all revenue categories
- ❑ Opportunities in pre-owned as vehicles begin to come off lease
- ❑ Fixed operations should continue to grow at a steady rate
- ❑ OSOE roll out of technology to additional markets
- ❑ Growth plans in EchoPark® expected to accelerate in the 2016
- ❑ Tracking to upper end of continuing operations guidance of \$1.85 – \$1.95

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# Appendix

# NON-GAAP RECONCILIATIONS

This release contains certain non-GAAP financial measures (the "Adjusted" amounts) as defined under SEC rules, such as, but not limited to, adjusted income from continuing operations and related earnings per share data. The Company has reconciled these measures to the most directly comparable GAAP measures (the "Reported" amounts) in the release. The Company believes that these non-GAAP financial measures improve the transparency of the Company's disclosure by providing period-to-period comparability of the Company's results from operations.

	Consolidated Three Months Ended September 30,		Franchised Dealerships Three Months Ended September 30,		EchoPark® Three Months Ended September 30,	
	2015	2014	2015	2014	2015	2014
	(In millions)					
SG&A Reconciliation:						
As Reported	\$ 280.0	\$ 270.1	\$ 274.5	\$ 266.5	\$ 5.5	\$ 3.6
Pre-tax Adjustments:						
Gain on disposal	-	3.2	-	3.2	-	-
Storm damage and other	-	(2.2)	-	(2.2)	-	-
Total pre-tax adjustments	-	1.0	-	1.0	-	-
Adjusted SG&A	\$ 280.0	\$ 271.1	\$ 274.5	\$ 267.5	\$ 5.5	\$ 3.6
SG&A as % of Gross Reconciliation:						
As Reported	77.7%	79.1%	76.8%	78.0%	NM	NM
Pre-tax Adjustments:						
Gain on disposal	0.0%	0.9%	0.0%	0.9%	NM	NM
Storm damage and other	0.0%	(0.6%)	0.0%	(0.6%)	NM	NM
Total pre-tax adjustments	0.0%	0.3%	0.0%	0.3%	NM	NM
Adjusted SG&A as % of Gross	77.7%	79.4%	76.8%	78.3%	NM	NM

NM = Not meaningful



# NON-GAAP RECONCILIATIONS

	Consolidated Three Months Ended September 30,		Franchised Dealerships Three Months Ended September 30,		EchoPark® Three Months Ended September 30,	
	2015	2014	2015	2014	2015	2014
	(In millions)					
<b>Operating Profit Reconciliation:</b>						
As Reported .....	\$ 62.9	\$ 56.9	\$ 66.3	\$ 60.8	\$ (3.4)	\$ (3.9)
<b>Pre-tax Adjustments:</b>						
SG&A .....	-	(1.0)	-	(1.0)	-	-
Impairment charges .....	-	0.2	-	-	-	0.2
Total pre-tax adjustments .....	-	(0.8)	-	(1.0)	-	0.2
Adjusted Operating Profit .....	\$ 62.9	\$ 56.1	\$ 66.3	\$ 59.8	\$ (3.4)	\$ (3.7)
<b>Pre-tax Profit from Continuing Operations Reconciliation:</b>						
As Reported .....	\$ 45.2	\$ 39.6	\$ 48.9	\$ 43.5	\$ (3.7)	\$ (3.9)
<b>Pre-tax Adjustments:</b>						
SG&A .....	-	(1.0)	-	(1.0)	-	-
Impairment charges .....	-	0.2	-	-	-	0.2
Total pre-tax adjustments .....	-	(0.8)	-	(1.0)	-	0.2
Adjusted Pre-tax Profit from Continuing Operations .....	\$ 45.2	\$ 38.8	\$ 48.9	\$ 42.5	\$ (3.7)	\$ (3.7)
<b>Profit from Continuing Operations (after-tax) Reconciliation:</b>						
As Reported .....	\$ 27.1	\$ 24.6				
<b>After-tax Adjustments:</b>						
SG&A .....	-	(0.6)				
Impairment charges .....	-	0.1				
Total after-tax adjustments .....	-	(0.5)				
Adjusted Profit from Continuing Operations (after-tax) .....	\$ 27.1	\$ 24.1				

# NON-GAAP RECONCILIATIONS

	Consolidated Nine Months Ended September 30,		Franchised Dealerships Nine Months Ended September 30,		EchoPark® Nine Months Ended September 30,	
	2015	2014	2015	2014	2015	2014
	(In millions)					
SG&A Reconciliation:						
As Reported .....	\$ 835.6	\$ 803.0	\$ 818.6	\$ 794.4	\$ 17.0	\$ 8.6
Pre-tax Adjustments:						
Gain on disposal .....	1.0	10.5	1.0	10.5	-	-
Storm damage, severance and other .....	(5.2)	(3.5)	(5.2)	(3.5)	-	-
Total pre-tax adjustments .....	(4.2)	7.0	(4.2)	7.0	-	-
Adjusted SG&A .....	\$ 831.4	\$ 810.0	\$ 814.4	\$ 801.4	\$ 17.0	\$ 8.6
SG&A as % of Gross Reconciliation:						
As Reported .....	79.5%	78.9%	78.4%	78.1%	NM	NM
Pre-tax Adjustments:						
Gain on disposal .....	0.1%	1.0%	0.1%	1.0%	NM	NM
Storm damage, severance and other .....	(0.5%)	(0.3%)	(0.5%)	(0.3%)	NM	NM
Total pre-tax adjustments .....	(0.4%)	0.7%	(0.4%)	0.7%	NM	NM
Adjusted SG&A as % of Gross .....	79.1%	79.6%	78.0%	78.8%	NM	NM

NM = Not meaningful



# NON-GAAP RECONCILIATIONS

	Consolidated Nine Months Ended September 30,		Franchised Dealerships Nine Months Ended September 30,		EchoPark® Nine Months Ended September 30,	
	2015	2014	2015	2014	2015	2014
	(In millions)					
<b>Operating Profit Reconciliation:</b>						
As Reported .....	\$ 147.5	\$ 171.1	\$ 160.9	\$ 179.9	\$ (13.4)	\$ (8.8)
<b>Pre-tax Adjustments:</b>						
SG&A .....	4.2	(7.0)	4.2	(7.0)	-	-
Impairment charges .....	16.7	0.2	15.3	-	1.4	0.2
Total pre-tax adjustments .....	20.9	(6.8)	19.5	(7.0)	1.4	0.2
Adjusted Operating Profit .....	\$ 168.4	\$ 164.3	\$ 180.4	\$ 172.9	\$ (12.0)	\$ (8.6)
<b>Pre-tax Profit from Continuing Operations Reconciliation:</b>						
As Reported .....	\$ 93.5	\$ 116.7	\$ 107.6	\$ 125.5	\$ (14.1)	\$ (8.8)
<b>Pre-tax Adjustments:</b>						
SG&A .....	4.2	(7.0)	4.2	(7.0)	-	-
Impairment charges .....	16.7	0.2	15.3	-	1.4	0.2
Total pre-tax adjustments .....	20.9	(6.8)	19.5	(7.0)	1.4	0.2
Adjusted Pre-tax Profit from Continuing Operations .....	\$ 114.4	\$ 109.9	\$ 127.1	\$ 118.5	\$ (12.7)	\$ (8.6)
<b>Profit from Continuing Operations (after-tax) Reconciliation:</b>						
As Reported .....	\$ 56.6	\$ 71.6				
<b>After-tax Adjustments:</b>						
SG&A .....	2.6	(4.3)				
Impairment charges .....	10.2	0.1				
Total after-tax adjustments .....	12.7	(4.1)				
Adjusted Profit from Continuing Operations (after-tax) .....	\$ 69.3	\$ 67.5				

# NON-GAAP RECONCILIATIONS

	Three Months Ended September 30, 2015						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Average		Net Income (Loss)	
		Amount	Per Share	Amount	Per Share	Amount	Per Share
			Amount		Amount		Amount
(In thousands, except per share amounts)							
Reported:							
Earnings (loss) and shares .....	50,456	\$ 27,103		\$ (598)		\$ 26,505	
Effect of participating securities:							
Non-vested restricted stock and stock units .....		(13)		-		(13)	
Basic earnings (loss) and shares .....	50,456	\$ 27,090	\$ 0.54	\$ (598)	\$ (0.01)	\$ 26,492	\$ 0.53
Effect of dilutive securities:							
Stock compensation plans .....	313						
Diluted earnings (loss) and shares .....	50,769	\$ 27,090	\$ 0.53	\$ (598)	\$ (0.01)	\$ 26,492	\$ 0.52

(1) Expenses attributable to EchoPark® operations were \$0.04 per fully diluted share in the three months ended September 30, 2015.

# NON-GAAP RECONCILIATIONS

	Three Months Ended September 30, 2014						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Amount	Per Share Amount	Amount	Per Share Amount	Amount	Per Share Amount
<b>Reported:</b>							
Earnings (loss) and shares	52,070	\$ 24,557		\$ 155		\$ 24,712	
Effect of participating securities:							
Non-vested restricted stock and stock units		(79)		-		(79)	
Basic earnings (loss) and shares	52,070	\$ 24,478	\$ 0.47	\$ 155	\$ -	\$ 24,633	\$ 0.47
Effect of dilutive securities:							
Stock compensation plans	483						
Diluted earnings (loss) and shares	52,553	\$ 24,478	\$ 0.47	\$ 155	\$ -	\$ 24,633	\$ 0.47
<b>Adjustments (net of tax):</b>							
Gain on disposal		\$ (1,953)	\$ (0.04)	\$ -	\$ -	\$ (1,953)	\$ (0.04)
Impairment charges		126	-	-	-	126	-
Storm damage and other		1,317	0.03	-	-	1,317	0.03
Lease exit adjustments		-	-	(845)	(0.02)	(845)	(0.02)
Total adjustments		\$ (510)	\$ (0.01)	\$ (845)	\$ (0.02)	\$ (1,355)	\$ (0.03)
<b>Adjusted:</b>							
Earnings (loss) and Diluted earnings (loss) per share (2)		\$ 24,047	\$ 0.46	\$ (690)	\$ (0.02)	\$ 23,357	\$ 0.44

(2) Expenses attributable to EchoPark® operations were \$0.04 per fully diluted share in the three months ended September 30, 2014.

# NON-GAAP RECONCILIATIONS

	Nine Months Ended September 30, 2015						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Amount	Per Share Amount	Amount	Per Share Amount	Amount	Per Share Amount
Reported:							
Earnings (loss) and shares	50,697	\$ 56,584		\$ (1,331)		\$ 55,253	
Effect of participating securities:							
Non-vested restricted stock and stock units		(27)		-		(27)	
Basic earnings (loss) and shares	50,697	\$ 56,557	\$ 1.12	\$ (1,331)	\$ (0.03)	\$ 55,226	\$ 1.09
Effect of dilutive securities:							
Stock compensation plans	389						
Diluted earnings (loss) and shares	51,086	\$ 56,557	\$ 1.11	\$ (1,331)	\$ (0.03)	\$ 55,226	\$ 1.08
Adjustments (net of tax):							
Gain on disposal		\$ (583)	\$ (0.01)	\$ -	\$ -	\$ (583)	\$ (0.01)
Impairment charges		10,166	0.20	-	-	10,166	0.20
Storm damage and other		3,132	0.06	-	-	3,132	0.06
Total adjustments		\$ 12,715	\$ 0.25	\$ -	\$ -	\$ 12,715	\$ 0.25
Adjusted:							
Earnings (loss) and Diluted earnings (loss) per share (3)		\$ 69,299	\$ 1.36	\$ (1,331)	\$ (0.03)	\$ 67,968	\$ 1.33

(3) Expenses attributable to EchoPark® operations were \$0.15 per fully diluted share in the nine months ended September 30, 2015.



# NON-GAAP RECONCILIATIONS

	Nine Months Ended September 30, 2014						
	Weighted Average Shares	Income (Loss) From Continuing Operations		Income (Loss) From Discontinued Operations		Net Income (Loss)	
		Amount	Per Share Amount	Amount	Per Share Amount	Amount	Per Share Amount
Reported:							
Earnings (loss) and shares	52,333	\$ 71,602		\$ (511)		\$ 71,091	
Effect of participating securities:							
Non-vested restricted stock and stock units		(229)		-		(229)	
Basic earnings (loss) and shares	52,333	\$ 71,373	\$ 1.36	\$ (511)	\$ (0.01)	\$ 70,862	\$ 1.35
Effect of dilutive securities:							
Stock compensation plans	475						
Diluted earnings (loss) and shares	52,808	\$ 71,373	\$ 1.35	\$ (511)	\$ (0.01)	\$ 70,862	\$ 1.34
Adjustments (net of tax):							
Gain on disposal		\$ (6,400)	\$ (0.12)	\$ -	\$ -	\$ (6,400)	\$ (0.12)
Impairment charges		126	-	-	-	126	-
Storm damage and other		2,158	0.04	-	-	2,158	0.04
Lease exit adjustments		-	-	(845)	(0.01)	(845)	(0.01)
Total adjustments		\$ (4,116)	\$ (0.08)	\$ (845)	\$ (0.01)	\$ (4,961)	\$ (0.09)
Adjusted:							
Earnings (loss) and Diluted earnings (loss) per share (4)		\$ 67,486	\$ 1.27	\$ (1,356)	\$ (0.02)	\$ 66,130	\$ 1.25

(4) Expenses attributable to EchoPark® operations were \$0.10 per fully diluted share in the nine months ended September 30, 2014.

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FOR IMMEDIATE RELEASE

***SONIC AUTOMOTIVE, INC. INCREASES QUARTERLY CASH DIVIDEND***

**CHARLOTTE, N.C.** – October 28, 2015 – Sonic Automotive, Inc. (NYSE: SAH), a leader in automotive retailing, today announced that its Board of Directors approved a quarterly dividend of \$0.0375 per share payable in cash for stockholders of record on December 15, 2015. The dividend will be payable on January 15, 2016. B. Scott Smith, Sonic's Chief Executive Officer stated, "This 50% increase in the dividend demonstrates our commitment to return capital to shareholders and our continued confidence in operations and prospects for growth."

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

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 and the risk factors described in the Company's annual report on Form 10-K for the year ending December 31, 2014. The Company does not undertake any obligation to update forward-looking information.

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