

The six publicly traded dealership groups delivered the first year-over-year increase in their collective adjusted pretax profit since the third quarter of 2022 through a combination of acquisition growth and tariff-induced demand. That 3% gain to \$1.2 billion for the peer group is striking when compared with pre-pandemic results: Adjusted pretax profit for publics collectively in the recent quarter was 1.7x the peer group's profit level for the first quarter of 2019.

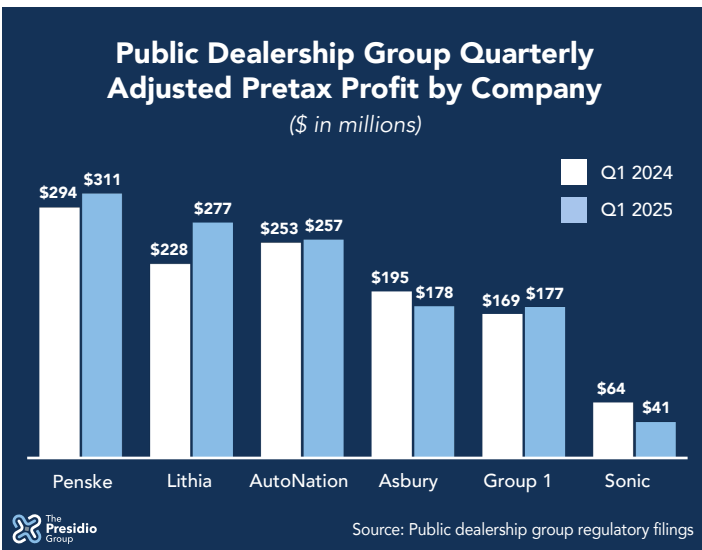
Four of the six public groups saw gains in adjusted pretax profit for the quarter. And while March's tenuous demand lift was welcome, dealers are already leaning on other business units to diversify revenue from new-vehicle deliveries.

Total parts-and-service revenue in the first quarter increased

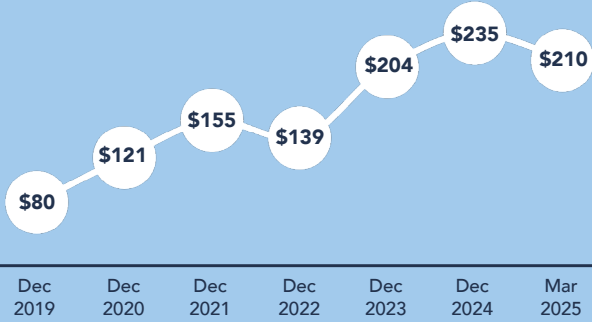
5.4%, while total parts-and-service gross profit rose 11.9%. Parts-and-service gross margin grew 311 basis points to 53.8%. With U.S. vehicle miles traveled near a record high, consumers are prioritizing repair and maintenance spending. The dynamics led to the publics' fixed operations units posting their highest collective gross margin since at least 2010, helping offset new-vehicle revenue uncertainty in the face of changing tariffs.

The publics' new-vehicle volume rose 8.5% in the quarter, adding 144 basis points to new-vehicle revenue mix. New-vehicle revenue made up 49.2% of total revenue for the peer group, but that low-margin business line contributed only 20% of overall gross profit. Parts-and-service revenue represented only 13.4% of total revenue, while that unit's share of gross profit grew by more than seven percentage points to 44.2%, making it the largest gross profit contributor of all dealership business units.

New-vehicle gross margin dipped 50 basis points to 6.6%. Strong March volume and firmer pricing as consumers tried to beat tariff inflation likely limited that drop. Over the rest of 2025, the tariff environment could cause extended supply constraint; however, as seen during the pandemic, low new-vehicle supply could again provide a season of higher margins and profits for auto manufacturers and dealers.

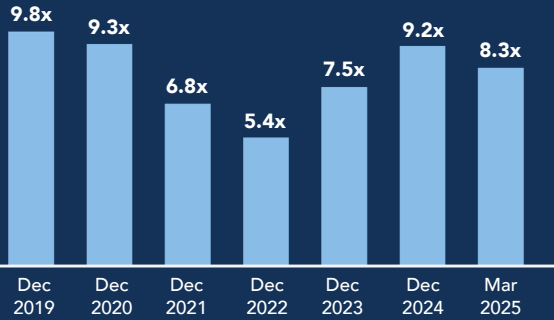


Average Public Dealership Group Stock Price



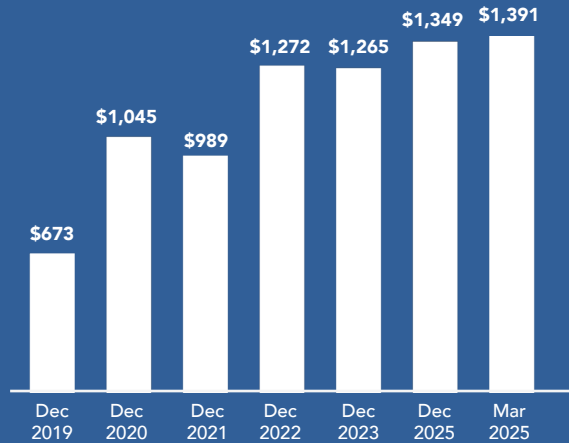
Source: Yahoo Finance, NYSE

Average Public Dealership Group EV/Adjusted EBITDA Multiple



Source: Public dealership group regulatory filings, Yahoo Finance, Presidio analysis

Average Public Dealership Group Liquidity Level (\$ in millions)

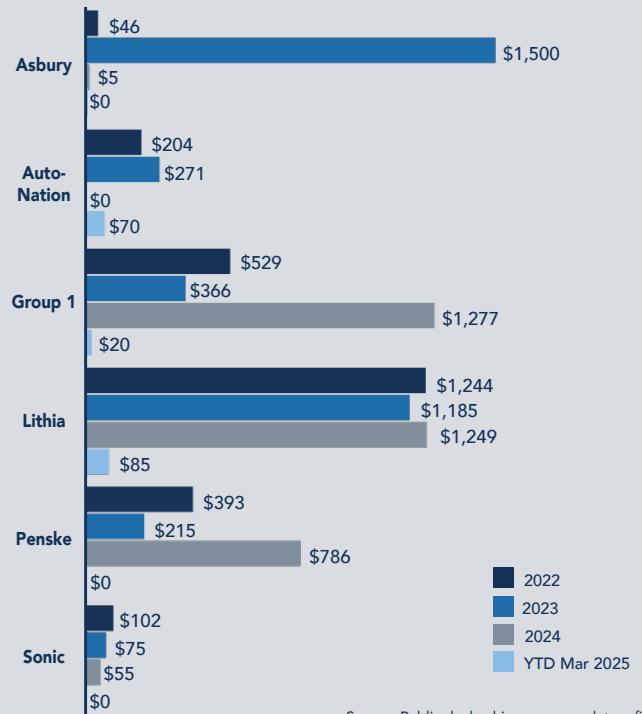


† Penske's figures include its cash totals and U.S.-only credit agreement



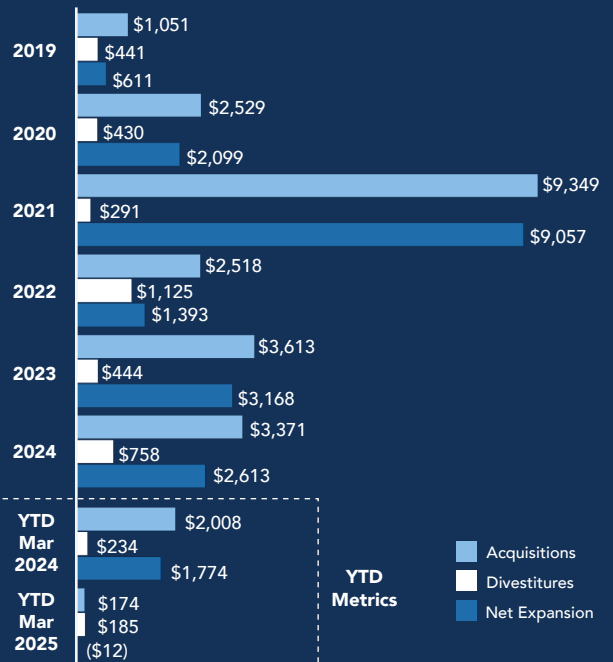
Source: Public dealership group regulatory filings

Public Dealership Group Acquisition Spending by Company (\$ in millions)



Source: Public dealership group regulatory filings (Asbury, AutoNation, Group 1, Lithia, Penske, Sonic)

Public Dealership Group Acquisition & Divestiture Totals (\$ in millions)



Source: Public dealership group regulatory filings (Asbury, AutoNation, Group 1, Lithia, Penske, Sonic)