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Sonic Automotive Announces Acquisition of Black Hills Harley-Davidson, Home of the Sturgis Motorcycle Rally

The acquisition solidifies Sonic's commitment to its emerging powersports segment

CHARLOTTE, N.C.--(BUSINESS WIRE)-- Sonic Automotive, Inc. ("Sonic'' or the "Company") (NYSE:SAH), a Fortune 500 Company and one of the nation's largest automotive retailers, today announced the acquisition of Black Hills Harley-Davidson, the world-wide preeminent Harley-Davidson dealership located in Rapid City, South Dakota and home of the Sturgis Motorcycle Rally, the largest motorcycle rally in the world.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20230215005177/en/

Black Hills Harley-Davidson (Photo: Business Wire)

Black Hills Harley-Davidson is western South Dakota's only full-service Harley-Davidson dealership and is best known for hosting "The Rally at Exit 55" during the Annual Sturgis Motorcycle Rally, an iconic destination for approximately 500,000 Harley-Davidson enthusiasts each year. The Rally at Exit 55 is known as the premier shopping destination for rallygoers with items for sale ranging from new and pre-owned Harley-Davidsons, Harley-Davidson Sturgis Rally Event merchandise, and genuine Harley-Davidson parts and accessories.

"We are thrilled to welcome the team from Black Hills Harley-Davidson into the Sonic Automotive family," said David B. Smith, Chairman and Chief Executive Officer of Sonic Automotive, Inc. "The team is deeply committed to the Harley-Davidson brand promise, providing a world-class guest experience, and fostering a strong teammate culture, which aligns with the values we uphold at Sonic Automotive."

"At Black Hills Harley-Davidson, we have always understood that teamwork makes us unbeatable," said Al Rieman and Jim Burgess, Co-Owners of Black Hills Harley-Davidson. "Our culture values the power of teamwork, and it has allowed us to grow beyond what anyone could do individually. Joining the Sonic Automotive team will allow Black Hills Harley-Davidson and our teammates to grow, set new goals, and achieve even greater results than we could have ever imagined, and we're excited to be on board."

The acquisition of Black Hills Harley-Davidson complements the Company's commitment to its newly created powersports segment, driving incremental growth opportunities by partnering with top powersports brands, including Harley-Davidson, Can-Am, Sea-Doo,

Polaris, Kawasaki, Suzuki, Ducati, BMW, Honda, Indian Motorcycle and Yamaha.

“This is a big day for Sonic Automotive,” said Jeff Dyke, President of Sonic Automotive. “We are excited to add Black Hills Harley-Davidson to our powersports team and provide an exceptional experience to powersports enthusiasts with our diverse manufacturer portfolio.”

This latest acquisition brings the Company’s powersports portfolio to 13 locations by combining Black Hills Harley-Davidson with the 2022 acquisitions of Mancuso Powersports, located in Houston, Texas and Horny Toad Harley-Davidson, located in Temple, Texas. The Company expects the powersports segment to add approximately $200 million in annual revenues in 2023.

About Sonic Automotive

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

Forward-Looking Statements

Included herein are forward-looking statements, including statements regarding anticipated future powersports revenue projections. 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, new and used vehicle industry sales volume, anticipated future growth in our EchoPark Segment, the success of our operational strategies, the rate and timing of overall economic expansion or contraction, the effect of the COVID-19 pandemic and related government-imposed restrictions on operations, and the risk factors described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021 and other reports and information filed with the 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.

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