

# Colonnade Advisors F&I Products

*Quarterly Update*  
*2021 Second Quarter*

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Used Vehicle F&I Product  
Penetration Surged in Q2 2021

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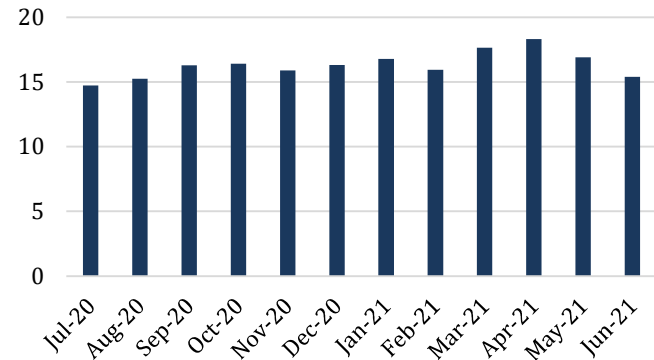


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## New light-vehicle sales (SAAR) grew marginally from Q1 2021 levels

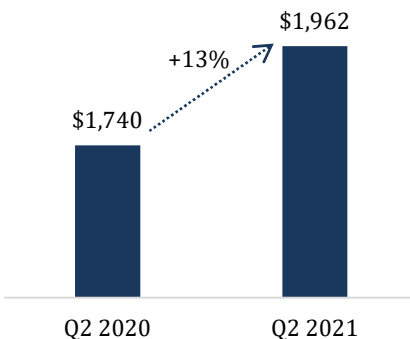
New light-vehicle sales (SAAR) increased from 16.8 million units in Q1 2021 to 16.9 million units in Q2 2021, a 0.5% improvement. Compared to June 2020, June 2021 light-vehicle sales (SAAR) are up 17.5%, or 2.3 million units, representing a strong recovery from the impacts of COVID-19.

U.S. Light vehicle sales in millions (SAAR)<sup>1</sup>



## Selling F&I products with new and used vehicles is a proven path to increasing dealer profits

Public Dealership Group F&I Profit per vehicle (same store sales)<sup>2</sup>



Dealers earn roughly \$2,200 on the sale of a new vehicle itself. Dealers can earn almost \$2,000 more on the sale of a vehicle service contract (VSC) or other F&I products, significantly boosting profitability. Public dealerships have demonstrated a continued focus on improving F&I product penetration to bolster profitability. The six public dealership groups average \$1,962 of F&I profit per vehicle on a same-store basis, a 13% increase from last year.

<sup>1</sup>FRED

<sup>2</sup>Public Dealerships: AutoNation (NYSE: AN), Asbury Automotive Group (NYSE: ABG), Group 1 Automotive (NYSE: GPI), Lithia Motors (NYSE: LAD), Penske Automotive Group (NYSE: PAG), Sonic Automotive (NYSE: SAH)



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## New vehicle sales F&I penetration remained constant relative to Q1 2021, while used vehicle sales F&I penetration grew significantly

New vehicle F&I penetration remained constant at 94.7% from the prior quarter but decreased by 4.0% when compared to Q2 2020. Used vehicle penetration increased 16.6% from last year to 87.4% and increased 5.5% from the prior quarter.

### F&I Product Penetration<sup>3</sup>



<sup>3</sup>NADA



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Sources: SEC filings, regulatory filings, and company presentations, NADA, FRED, Business Wire, Auto Remarketing, PR Newswire, GlobeNewswire, public disclosure and Colonnade research

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