DOWNEY & COMPANY, LLP

2025 Dealership Facts and Figures – Profitability

In evaluating a dealership's performance there are various metrics that can be utilized. We have highlighted two financial industry metrics for a dealer to evaluate their store against.

Below are the results from dealer clients for the periods ending September 30:

	Standard	2025	2024	2023
Net Income as a % of Total Sales	3.00%	2.83%	2.99%	4.31%
Net Income as a % of Gross Profits	Over 20.00%	29.28%	32.77%	38.17%

As detailed above, the percentage net income as a percentage of sales has leveled off for our dealer clients and is currently slightly below industry standards. The decrease is a combination of lower margins for both new and used vehicles and increased expense.

	2025	2024	2023
Average Dealer Net Profits for Nine Months Ended September 30,	$1,229,000	$1,230,000	$1,630,000

Dealership profitability has leveled off from 2024. An increase in gross profits from fixed operations and F&I has helped to offset the decline in vehicle sales profitability and increased expenses. Although earnings are down compared to the years 2021-2023, they are much stronger than they were in the late 2010's. In order to ensure continued success, dealers must continue to optimize all available resources while being adaptable to future industry changes.