



Analyst Day







Naperville, IL Distribution Center
August 21, 2024

Forward Looking Statements

We intend to be covered by, and we claim the protection of, the safe-harbor provisions for forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You can identify these statements by forward-looking words such as “estimate,” “may,” “could,” “will,” “believe,” “expect,” “would,” “consider,” “should,” “anticipate,” “project,” “plan,” “intend,” “guidance,” “target,” or similar words. In addition, statements contained within this presentation that are not historical facts are forward-looking statements, such as statements discussing, among other things, expected growth, store development, integration and expansion strategy, business strategies, future revenues and future performance. These forward-looking statements are based on estimates, projections, beliefs and assumptions and are not guarantees of future events and results. Such statements are subject to risks, uncertainties and assumptions, including, but not limited to, the COVID-19 pandemic or other public health crises; the economy in general; inflation; consumer debt levels; product demand; the market for auto parts; competition; weather; tariffs; availability of key products and supply

chain disruptions; business interruptions, including terrorist activities, war and the threat of war; failure to protect our brand and reputation; challenges in international markets; volatility of the market price of our common stock; our increased debt levels; credit ratings on public debt; historical growth rate sustainability; our ability to hire and retain qualified employees; risks associated with the performance of acquired businesses; information security and cyber-attacks; and governmental regulations. Actual results may materially differ from anticipated results described or implied in these forward-looking statements. Please refer to the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2023, and subsequent Securities and Exchange Commission filings, for additional factors that could materially affect our financial performance. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

O'Reilly Analyst Day Agenda

 Meet & Greet with Management	8:00 – 8:30
 Management Presentation and Q&A Session	8:30 – 10:30
 Distribution Center Tour	10:30 – 11:00
 Light Lunch with Management	11:00 – 11:45
 Store Tours	11:45 – 2:00
 Shuttle to O'Hare International Airport	2:00

O'Reilly Culture Statement

O'Reilly is **COMMITTED**
To Our Customers and
Our Team Members.

We are **ENTHUSIASTIC**,
HARDWORKING PROFESSIONALS who
are **DEDICATED** to **TEAMWORK**,
SAFETY/WELLNESS and **EXCELLENT**
CUSTOMER SERVICE. We will practice
EXPENSE CONTROL while setting an
example of **RESPECT**, **HONESTY**, and a
WIN-WIN ATTITUDE in everything we
do.





Brad Beckham

Chief Executive Officer

Management Team Present Today

Years of Experience in the Automotive Aftermarket Industry

Brad Beckham	Chief Executive Officer	28 Years
Brent Kirby	President	6 Years
Jeremy Fletcher	Chief Financial Officer & Executive Vice President	18 Years
Jason Tarrant	Executive Vice President of Store Operations and Sales	23 Years
Mark Merz	Senior Vice President of Finance	17 Years
Ramon Odems	Senior Vice President of Northeast Store Operations & Sales	31 Years
Jeff Loafman	Senior Vice President of Distribution Operations	1 Year
Chris Mancini	Senior Vice President of Store Operations	18 Years
Jose Ramirez	Vice President of Great Lakes Division	23 Years
David Leonhart	Vice President of Distribution Operations Eastern Division	29 Years
Eric Bird	Vice President of Finance and Treasury	8 Years
Leslie Skorick	Sr. Director of Tax & Investor Relations	9 Years
Roberto Vega	Director of Great Lakes Division Sales	25 Years
Jose Palacios	Regional Director – Stores	14 Years
Maurino Arreola	Regional Director – Stores	23 Years
Wade Rowley III	Regional Director – DCs	17 Years
Scott Johnson	Distribution Center Manager	7 Years



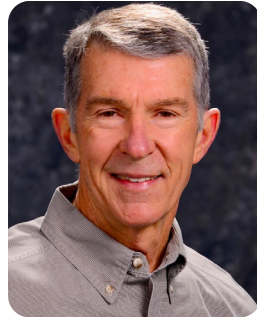
O'Reilly Leadership Team



**Greg
Henslee**

Chairman of the
Board

40 Years of
Service



**David
O'Reilly**

Executive Vice
Chairman of the
Board

52 Years of
Service



**Brad
Beckham**

Chief Executive
Officer

28 Years of
Service



**Brent
Kirby**

President

6 Years of
Service



**Jeremy
Fletcher**

Executive Vice
President &
Chief Financial
Officer

18 Years of
Service



**Jason
Tarrant**

Executive Vice
President of
Store Operations
and Sales

23 Years of
Service

Company Overview

6,152 Stores in 48 states

69 Stores in Mexico

23 Stores in Canada

(as of June 30, 2024)

32 Distribution Centers

90,000+ Team Members

Last-Twelve-Months Sales:

\$16.3 Billion

(as of June 30, 2024)

Market Capitalization:

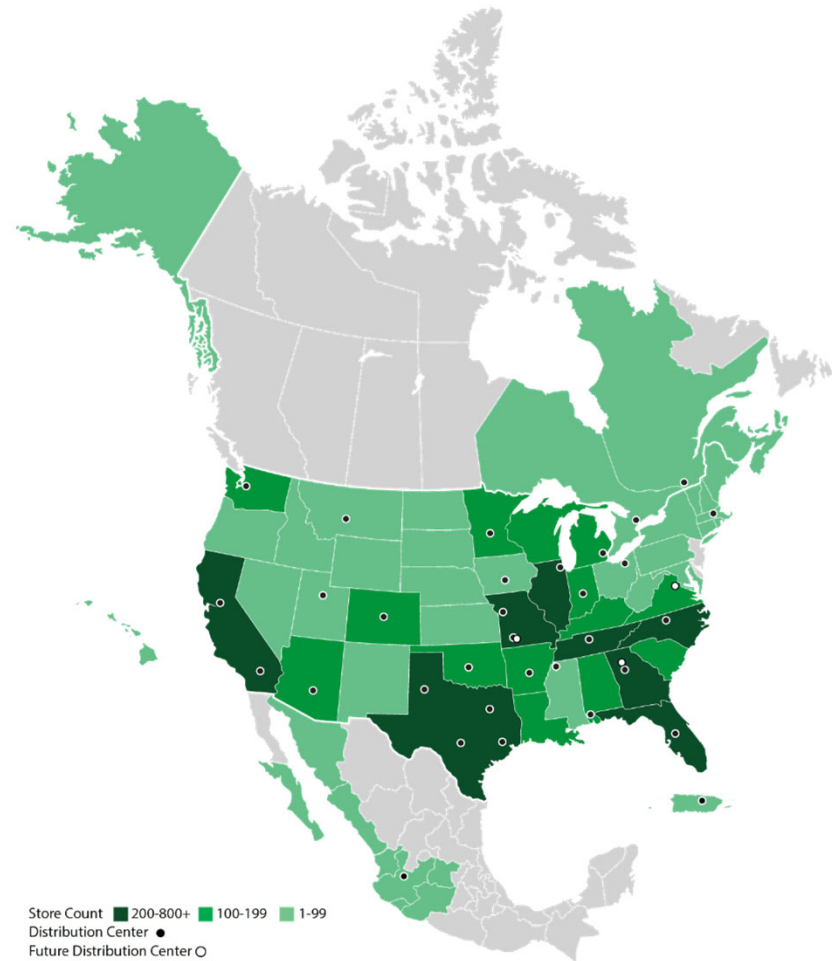
\$66 Billion

(as of July 31, 2024)

Do-It-Yourself versus Professional Split:

53% and 47%

(for the year end December 31, 2023)



Year-to-Date 2024 Results

- ④ **2.8% Comparable Store Sales Increase** (2 year stack of 12.6%, 3 year stack of 17.1%)
- ④ **50.9% Gross Margin**
- ④ **19.6% Operating Margin**
- ④ Opened **64** net, **New Stores** across U.S. & Mexico, and acquired **23** stores in Canada
- ④ **\$19.75 Diluted EPS** (3 year CAGR of 9%)
- ④ Generated **\$1.2 Billion** of **Free Cash Flow**
- ④ Repurchased **\$1.06 Billion** Under Share Repurchase Program

2024 Full Year Guidance

Net, new store openings	190 to 200
Comparable Store Sales	2% to 4%
Total Revenue	\$16.6 billion to \$16.9 billion
Gross Margin	51.0% to 51.5%
Operating Margin	19.6% to 20.1%
Effective Income Tax Rate	22.4%
Diluted Earnings Per Share	\$40.75 to \$41.25
Capital Expenditures	\$900 million to \$1.0 billion
Free Cash Flow	\$1.8 billion to \$2.1 billion

Note: Selected full-year 2024 guidance per the Company's earnings release for second quarter 2024.

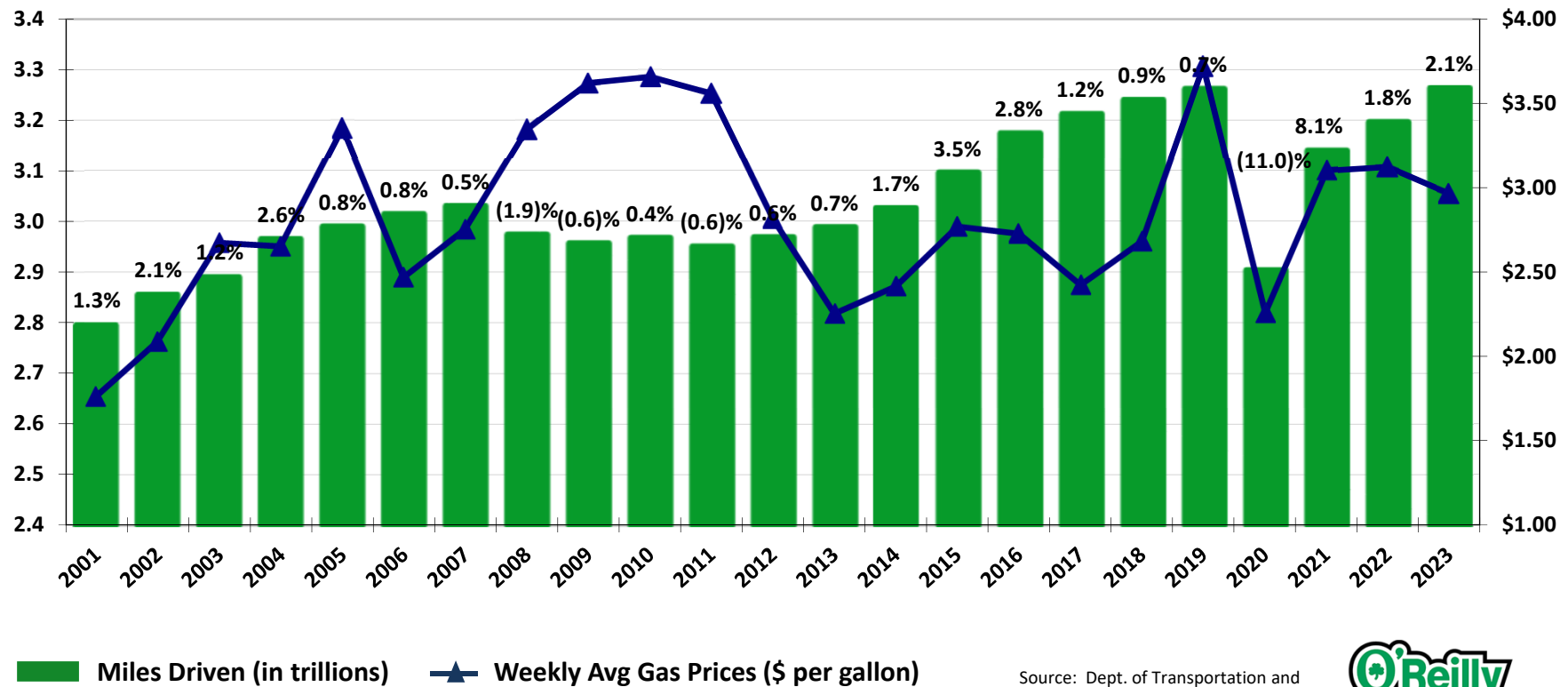


Industry Drivers

Fundamental Driver for Demand in Our Industry is Total Miles Driven

- Lack of comprehensive mass transit system in U.S. results in sustainable commuter miles driven
- Pandemic pressures on miles driven in 2020, with subsequent recovery
- 1.1% increase in miles driven YTD May 2024
- Average regular gas PPG \$3.37 on 7/1/24 is below 2024 peak of \$3.51, and down 2% YOY

Historical U.S. Miles Driven & Gasoline Prices



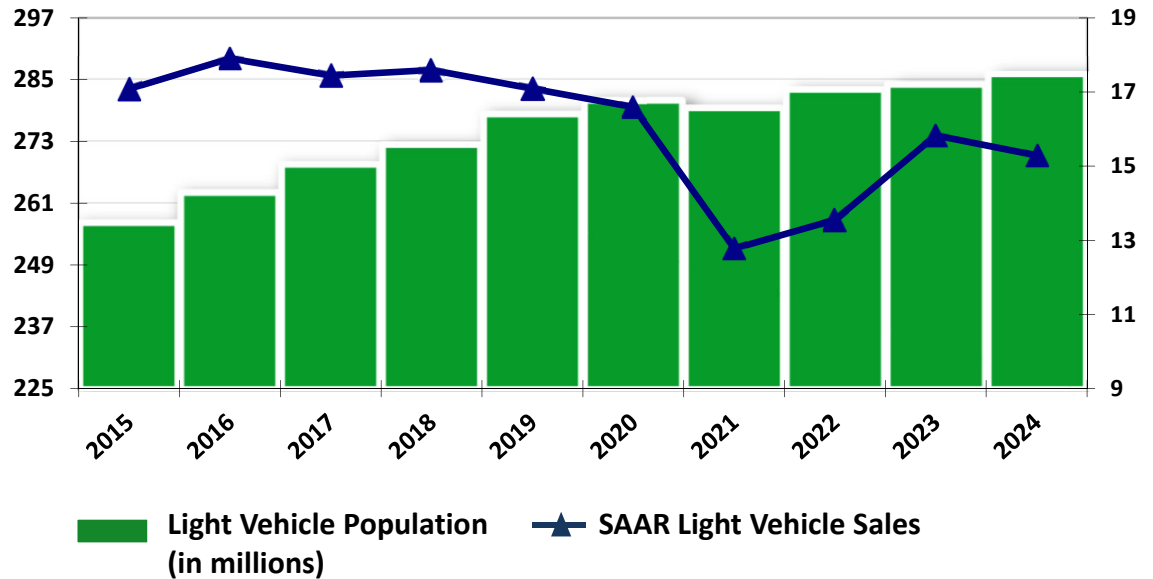
Source: Dept. of Transportation and Dept. of Energy



Industry Drivers

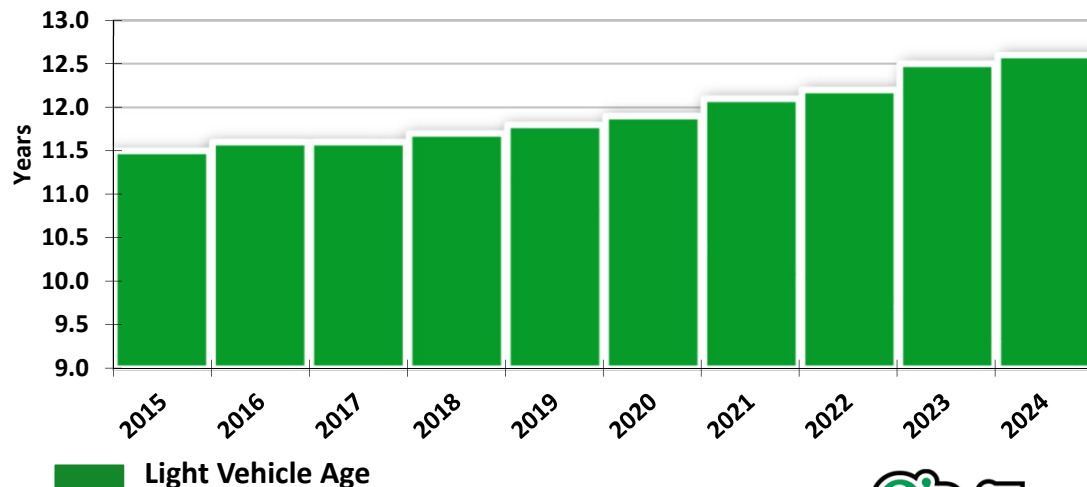
Growing U.S. Light Vehicle Population

- Slow changing vehicle population through stable, low scrappage rates
- 2021 and 2022 SAAR impacted by supply constraints



Continued Aging of U.S. Light Vehicle Population:

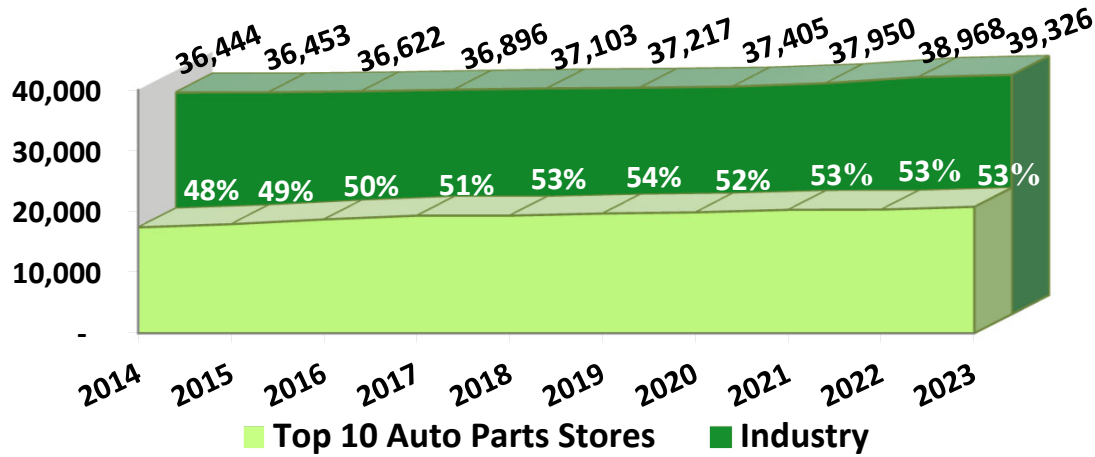
- Better engineered vehicles, which can be reliably driven at higher miles, results in an aging vehicle fleet
- 10 year CAGR of 1.0%
- Average light vehicle age not expected to decrease in the future



Source: 2025 ACA Factbook



U.S. Industry Landscape



Source: 2025 ACA Factbook and Company estimates

Top Ten U.S. Auto Parts Chains

1. AutoZone Inc. (6,364) ¹
2. O'Reilly Auto Parts (6,152) ¹
3. Advance Auto Parts (5,097) ²
4. Genuine Parts/NAPA (1,780) ^{1,2}
5. Fisher Auto Parts (500) ²
6. Parts Authority (229)
7. Replacement Parts (219)
8. Auto-Wares (200) ²
9. Automotive Parts Headquarters (184) ²
10. Hahn Automotive (100)

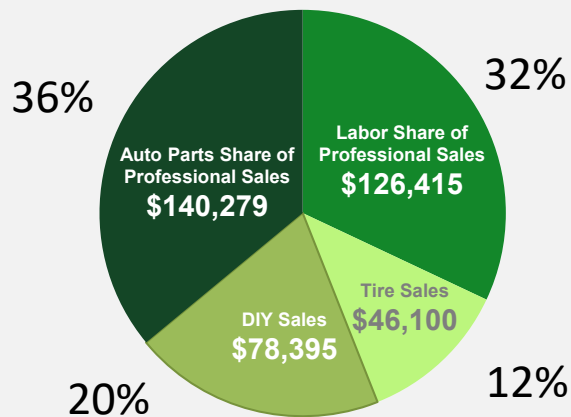
¹ U.S. Domestic stores

² Company owned stores

Source: SEC filing or company data

Size of U.S. Automotive Aftermarket

Total Market: **\$391 Billion**



Source: 2025 ACA Factbook – 2023 U.S. Market Summary

O'Reilly Estimated U.S. Addressable Market:

\$150 - \$160 Billion

DIY is More Consolidated

Professional Continues to be Highly Fragmented

O'Reilly estimate of addressable market size assumes wholesale price for professional parts sales and excludes certain sales channels from DIY or professional sales, including vehicle collision/body and glass.

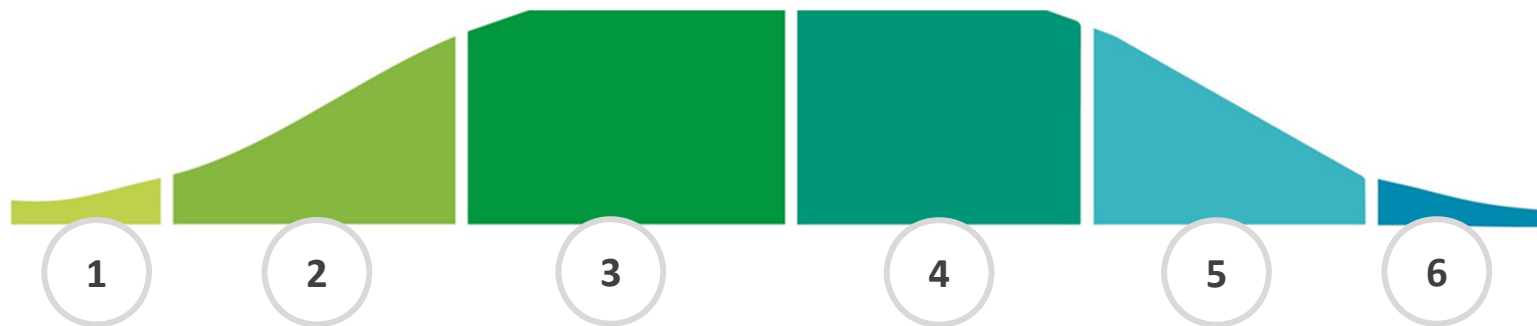




Brent Kirby
President

Product Lifecycle

“Best In Class” Inventory Availability while Optimizing Inventory Investment.
Unique data driven demand triggers.



1 Continually remaining current with **New Application Coverage**

2 Initial DC, Hub and store placements are driven by **various demand triggers**

3 Customer preferences and the competitive landscape drives **Good | Better | Best** additions

4 Continually monitor sales trends and prepare to **shift inventory** towards Hubs and DCs

5 **Begin shifting** to Hubs and DCs

6 **Leveraging** Regional and National DCs and suppliers

Industry Leading Parts Availability

Primary factor in making a buying decision for both Do-It-Yourself and Professional customers is **how fast the needed parts are available.**

Strategically deployed distribution network designed to cost effectively and efficiently replenish nightly and support multiple same day deliveries to stores

29

Regionally deployed US Distribution Centers (DCs) support our stores across the country

95%+

Of our stores receive multiple same day deliveries and deliveries on weekends of hard to find parts from our DCs and Hub stores

175K

Average SKUs stocked at our Regional Inventory DCs, which are linked to multiple other Servicing Inventory DCs

100%

Warehouse to Warehouse transfers of DC and Hub distribution nodes have reverse logistics capabilities

5

Night-per-week deliveries to all our stores in continental U.S. from our DCs' dedicated fleet

385

Hub stores, averaging 50K+ SKUs with select markets up to 105K+, provide multiple deliveries per day to Spoke stores



Strategic Investments

We are **COMMITTED** to strategic investments to enhance customer service and drive sustained, robust long-term returns

Investment Priorities

Expansion & Industry
Consolidation

Customer Experience
– In Store & Digital



Industry-leading
Inventory Availability

Team O'Reilly –
Professional Parts
People

\$900 million - \$1 billion in total capital expenditures expected
for 2024

Distribution Network Expansion

Three Active Projects Currently Underway

DC Relocation Atlanta, GA

- **Former DC Capacity: 250 Stores**
- Former DC Opened in 2005
- **Relocation Capacity: 350 stores**
- Anticipate beginning store service in Q4 of 2024



689,700 sq. ft.

Stafford, VA

- **Capacity for 350 stores**
- Anticipate beginning store service in Q3 of 2025



534,200 sq. ft.

DC Expansion Lakeland, FL

- **Current Capacity: 275 stores**
- Opened in 2014
- **Future Capacity: 350 stores**
- Anticipate beginning store service in Q4 of 2025

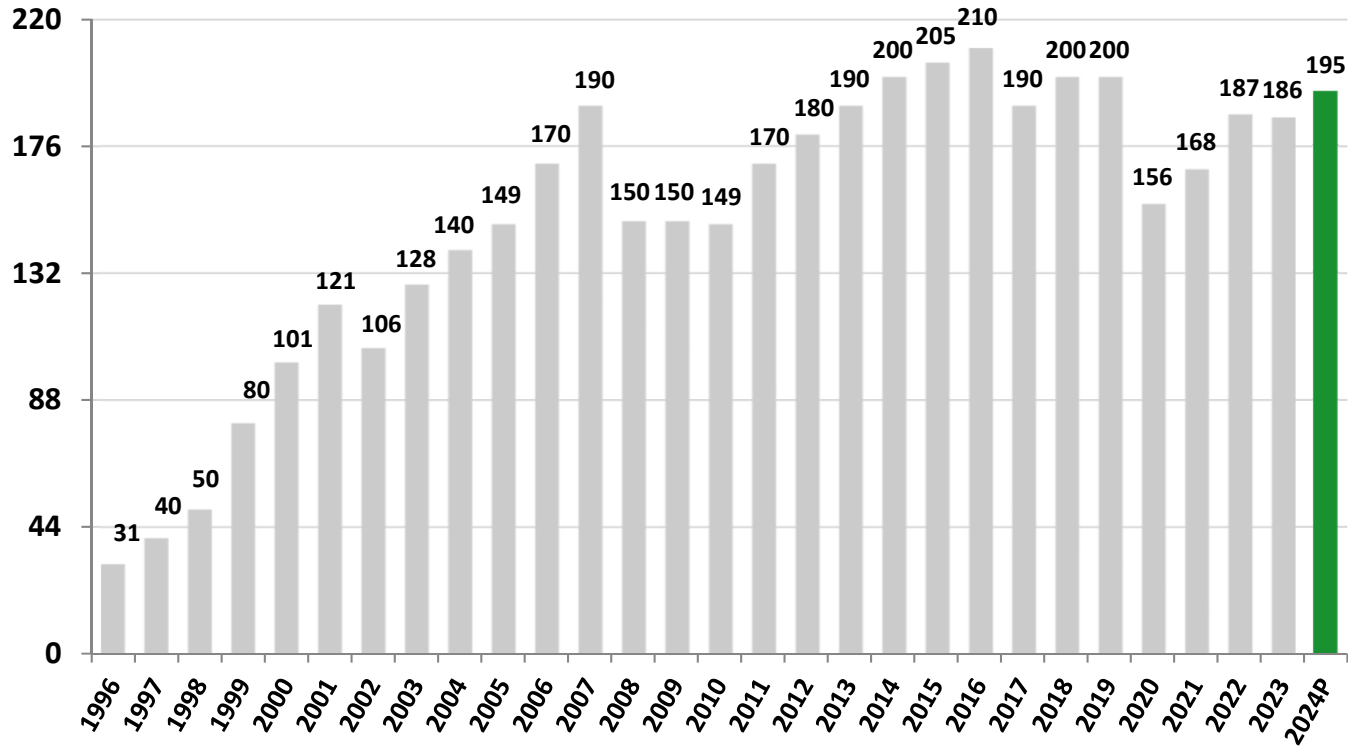


546,187 sq. ft.



Store Growth

Profitable, Consistent Greenfield Growth:



Top Ten States

- Texas (836)
- California (594)
- Florida (296)
- Georgia (239)
- Illinois (231)
- Ohio (227)
- North Carolina (221)
- Missouri (214)
- Tennessee (204)
- Michigan (189)

Untapped Markets

- Delaware
- District of Columbia
- Maryland
- New Jersey
- New York
- Pennsylvania
- Puerto Rico
- International

Active, Opportunistic Industry Consolidators:

- 1998 Hi/LO – 182 stores
- 2001 Midstate – 82 stores
- 2005 Midwest – 72 stores
- 2008 CSK – 1,342 stores
- 2012 VIP Auto – 56 stores

- 2016 Bond – 48 stores
- 2019 Bennett – 33 stores
- 2019 Mayasa Auto Parts – 21 stores
- 2024 Groupe Del Vasto – 23 stores



Mexico Updates

- Guadalajara DC with capacity to service 250 stores opened in July 2023
- All stores rebranded from ORMA to O'Reilly AutoPartes in December 2023
- Opened 7 new stores in the first 6 months of 2024, bringing total to 69.
- 15-20 new store openings expected for the remainder of 2024



Canada Updates

- Acquired Groupe Del Vasto in January 2024
- 2 Distribution Centers and 23 stores across Eastern Canada



Product Branding Strategy

Proprietary Brands:

BRAKEBEST

IMPORT DIRECT
OE REPLACEMENT PARTS

O'Reilly

ULTIMA

MASTERPRO

★
MURRAY

★
SYNTEC

**SUPER
START**

**POWER
TORQUE**

★
precision

MICROGARD

National Brands:

BOSCH

Castrol

WIX
FILTERS

PENNZOIL

STANDARD

DORMAN

Gates

Mobil

SYLVANIA

- Increasing number and acceptance of lines in Proprietary Brands
- Proprietary Brands make up **50%+ of sales**
- Continuously working to broaden product line coverage

★ Indicates former national brands that are now O'Reilly owned

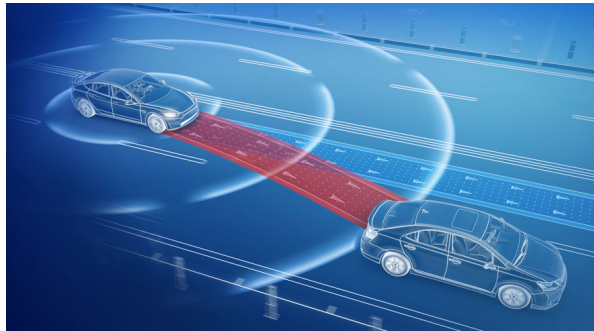
O'Reilly
AUTO PARTS

Emerging Technologies



Stop/Start

- Full coverage already in place from suppliers
- Tailwind in average price; failure rates similar



Advanced Driver Assistance System (ADAS)

- System and all parts are upside
- **O'Reilly** training and ASE advanced certifications now available



Electric Vehicles(EV)/Hybrids

- SKU coverage expanding very rapidly
- **O'Reilly** training and ASE-certifications now available

Omnichannel Focus

Meeting Do-It-Yourself and Professional customers at every touch point of their brand journey. **Whether a customer visits a store, calls, or clicks we are continuing to evolve our brand to meet the customer whenever and wherever they choose to engage.**



Omnichannel Focus

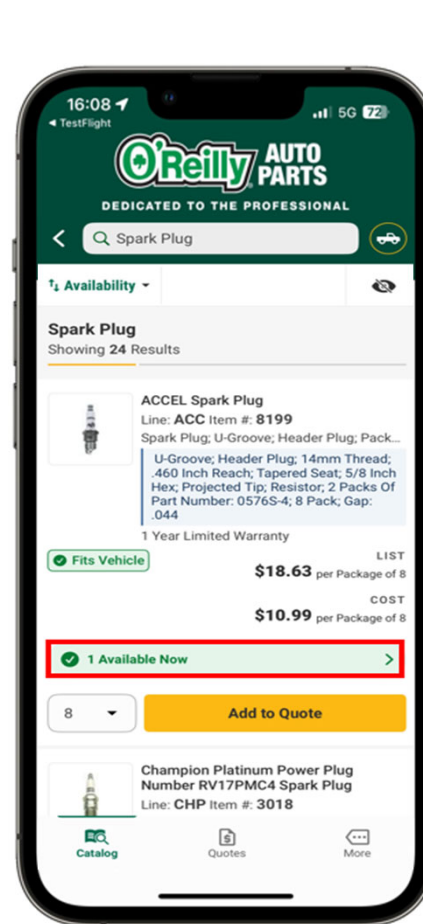
Evolving the O'Reilly brand to create a frictionless experience for both Do-It-Yourself and Professional customers, whether they visit a store, call, or click.

Expanding Product Availability

- Multi-Carrier Strategy
 - Same Day / Next Day Availability
- Ship-to-Store
- Shop Delivery with Real-Time Estimates

Improving the Customer Experience

- Additional Payment Methods
- Cross-Channel Personalization and Engagement
- User Experience Enhancements



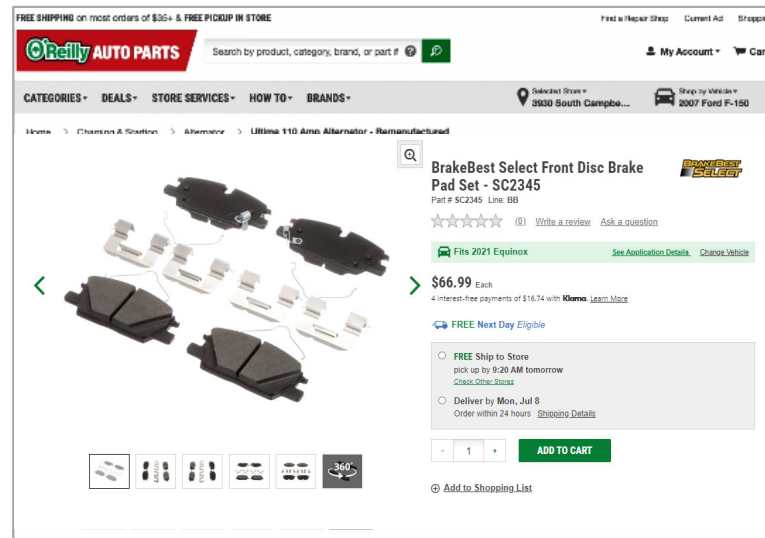
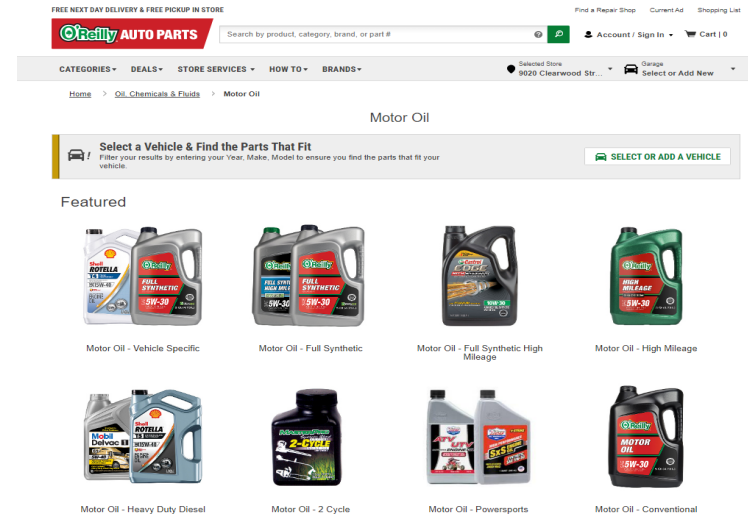
Omnichannel Focus

Improving Search & Content

- Digital Category Merchandising
- Enterprise Search Enhancements
- Improved Content
 - Product, Attributes, Images, Video
 - DIY, How-To

Improving Customer Support

- Voice of Customer Feedback
- User Generated Content
- Enterprise Customer Service Support
 - Voice, Chat, Bots



O'Rewards Loyalty Program

- Growing an engaged membership base
- NEW Customer Data Platform accelerating personalization and segmentation
- Bonus Points offers drive value for members



Jason Tarrant

Executive Vice President
Store Operations and Sales

Culture Driven Leadership



Pride in our Culture & Team



“Ownership” - *Run it like you own it!*

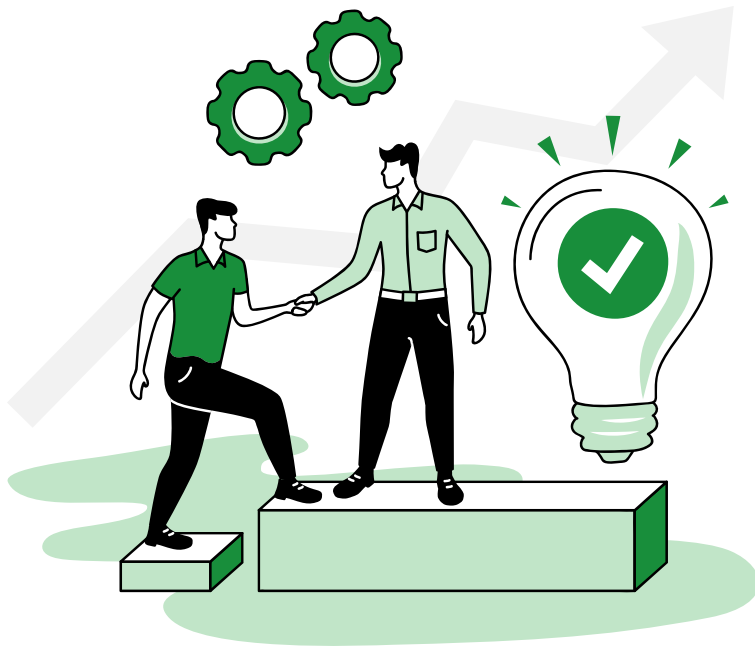


Passion - *Strong Desire to Win*



Intense Focus on Fundamental Execution of our business model

Promote from Within



Over 430 Years
in Industry Experience

120+

Years in Industry for 1 Store EVP
& 4 Store SVPs

300+

Years in Industry for 14 Division
VPs

Proven “Hands On” Leadership Team

O’Reilly Farm System/Our Bench
=
Our Future!

Dual Market Strategy



Do-It-Yourself (D.I.Y.)

35+ years
of proven track
record for
serving both
customers



Professional

- Rural and metro **profitability**
- Leverages our **strategic** distribution network
- Store Managers have full "**ownership**"
- The **most effective** sales team in the aftermarket
- Professional **drives** retail

D.I.Y. – Retail Commitment

Market Entitlement • D.I.Y. Share Opportunities



Professional
Parts People



Friendliest Parts
Store in Town



Out Hustle &
Out Service the
Competition



Never Say No
Philosophy



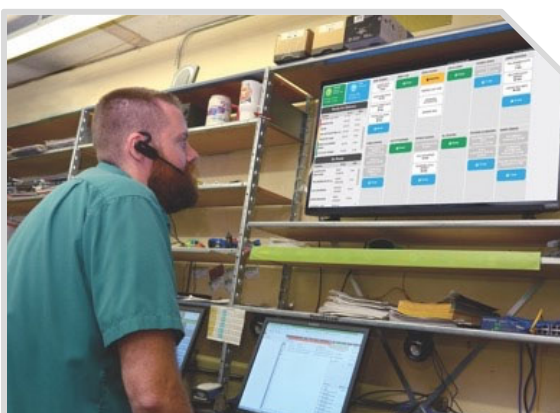
Top Notch Customer
Service

Professional – First Call Commitment

- Dedicated to the Professional since 1957 •



**Best stores
& sales team** in the
aftermarket!



**Enhanced Service
Levels:** Delivery times



Professional Pricing:
The best overall value in
the aftermarket, just got
better!

Professional – First Call Commitment



O'Reilly Mission Statement

We will be the dominant auto parts supplier in all our market areas

By providing our **Retail** and **Professional Customers** the best combination of inventory availability, price and quality provided with the **HIGHEST** level of **SERVICE**.

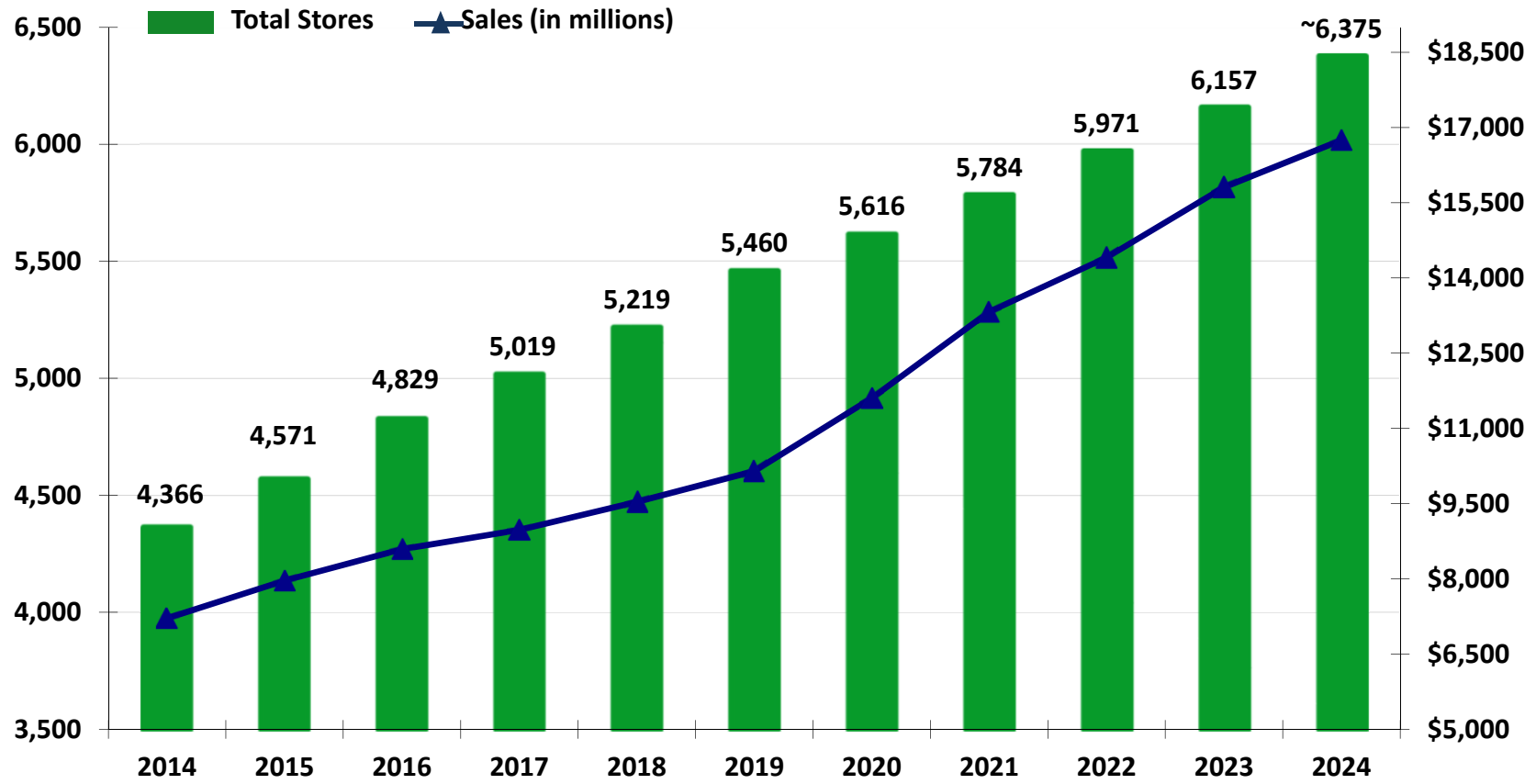




Jeremy Fletcher

Chief Financial Officer
& Executive Vice President

Store & Revenue Growth

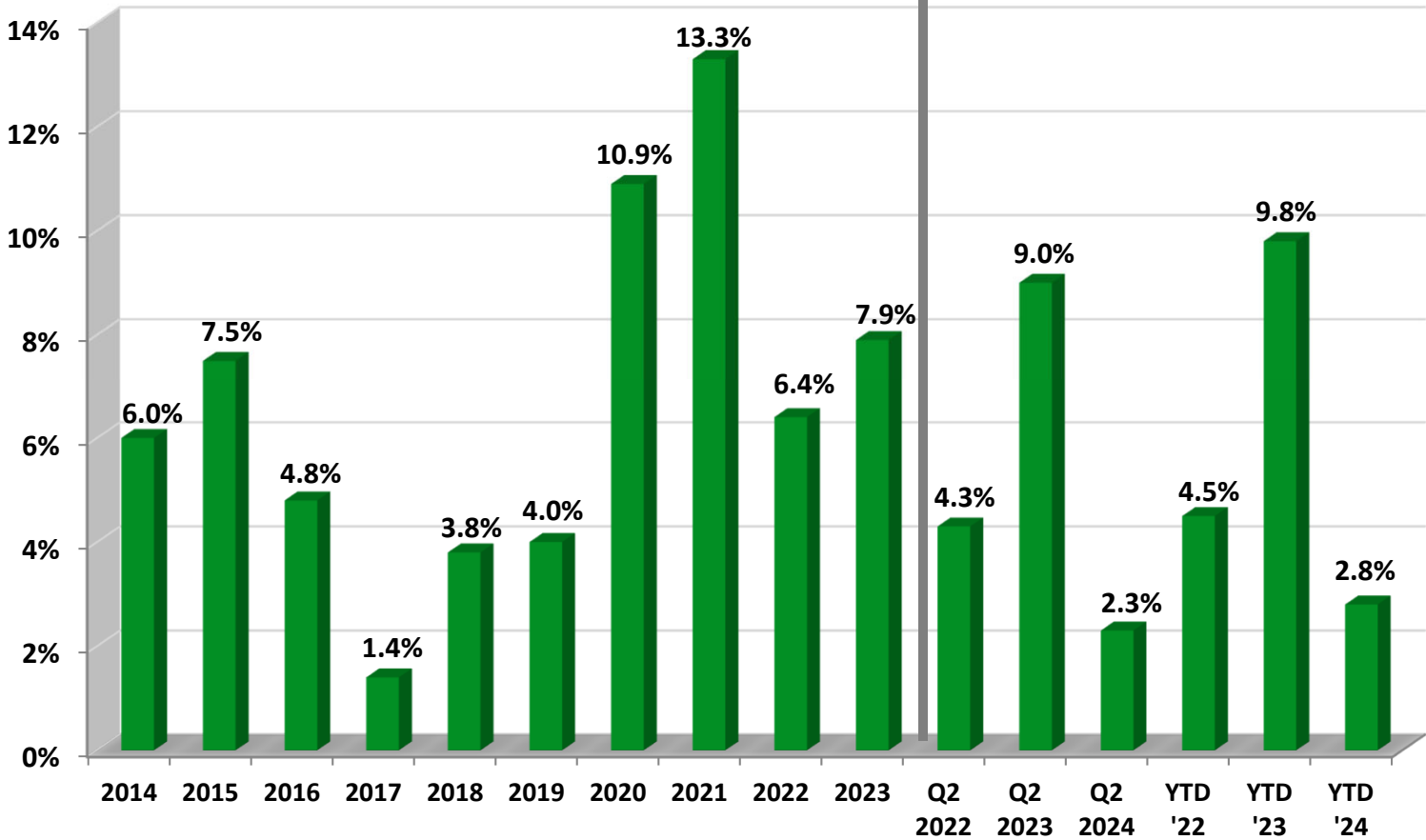


2024 Guidance

Full Year: \$16.6 - \$16.9 Billion in Sales
190 - 200 Net, New Stores



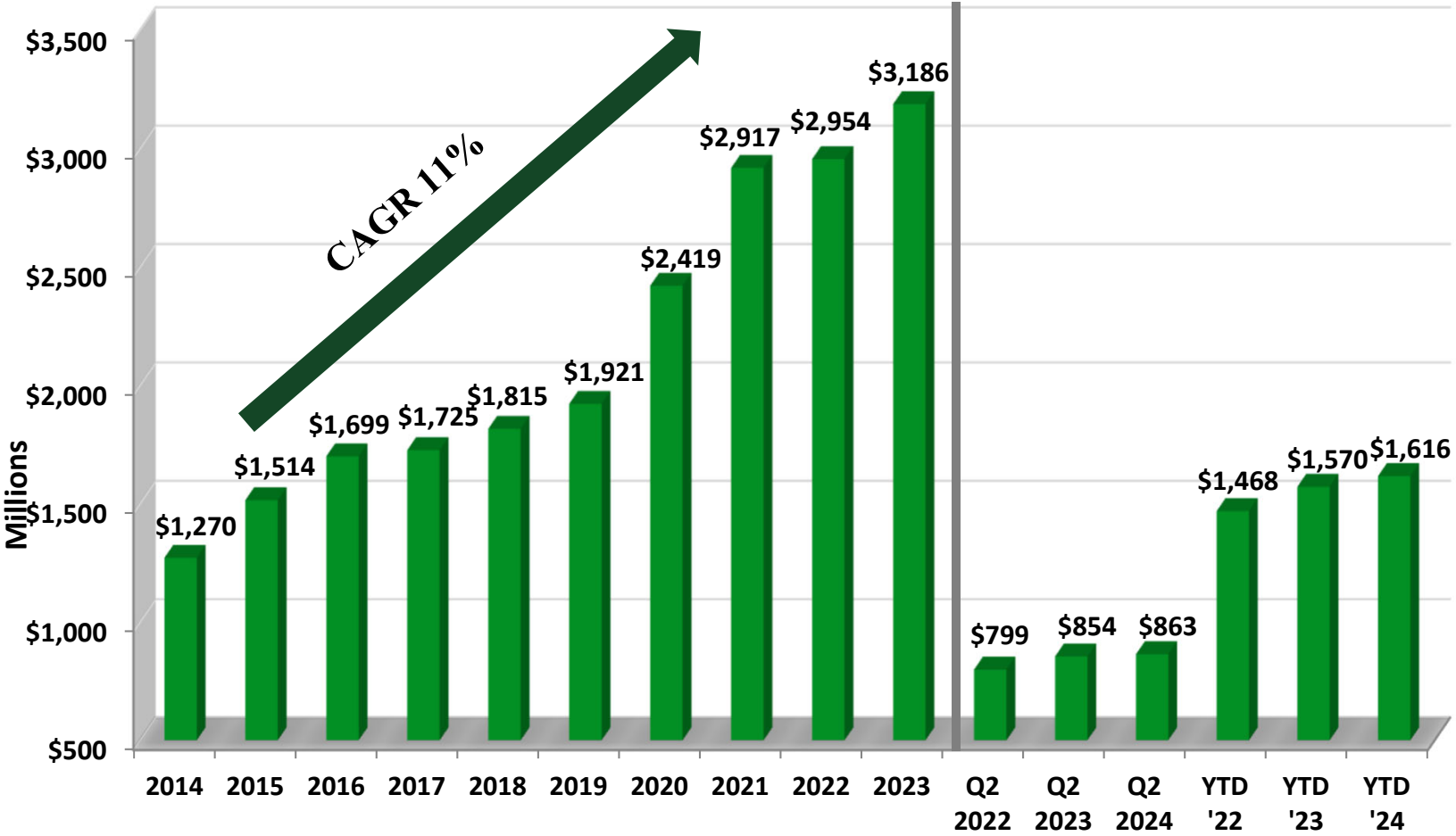
Comparable Store Sales



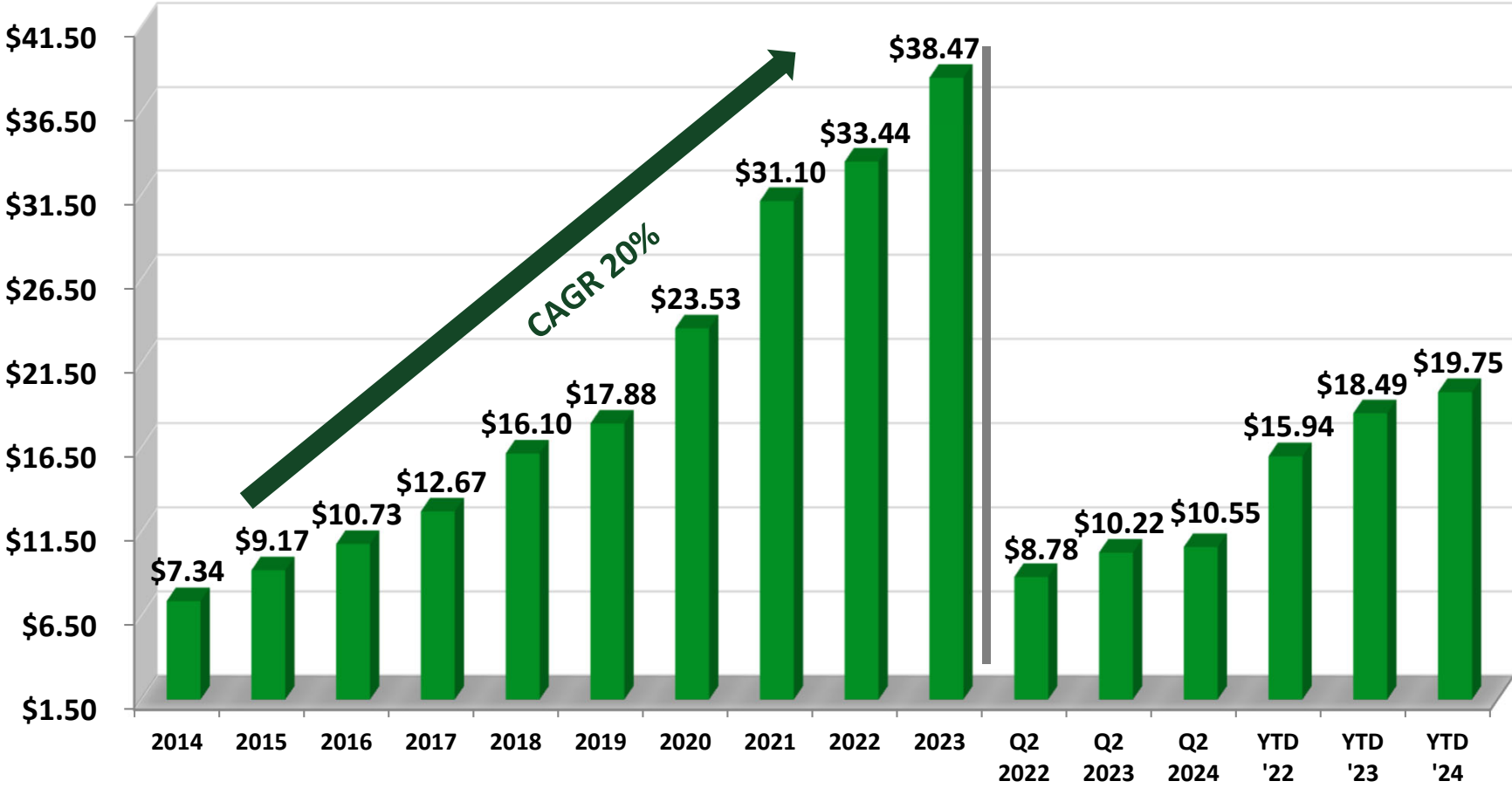
2024 Guidance Full Year: 2% - 4%



Operating Profit \$ Growth



EPS Growth



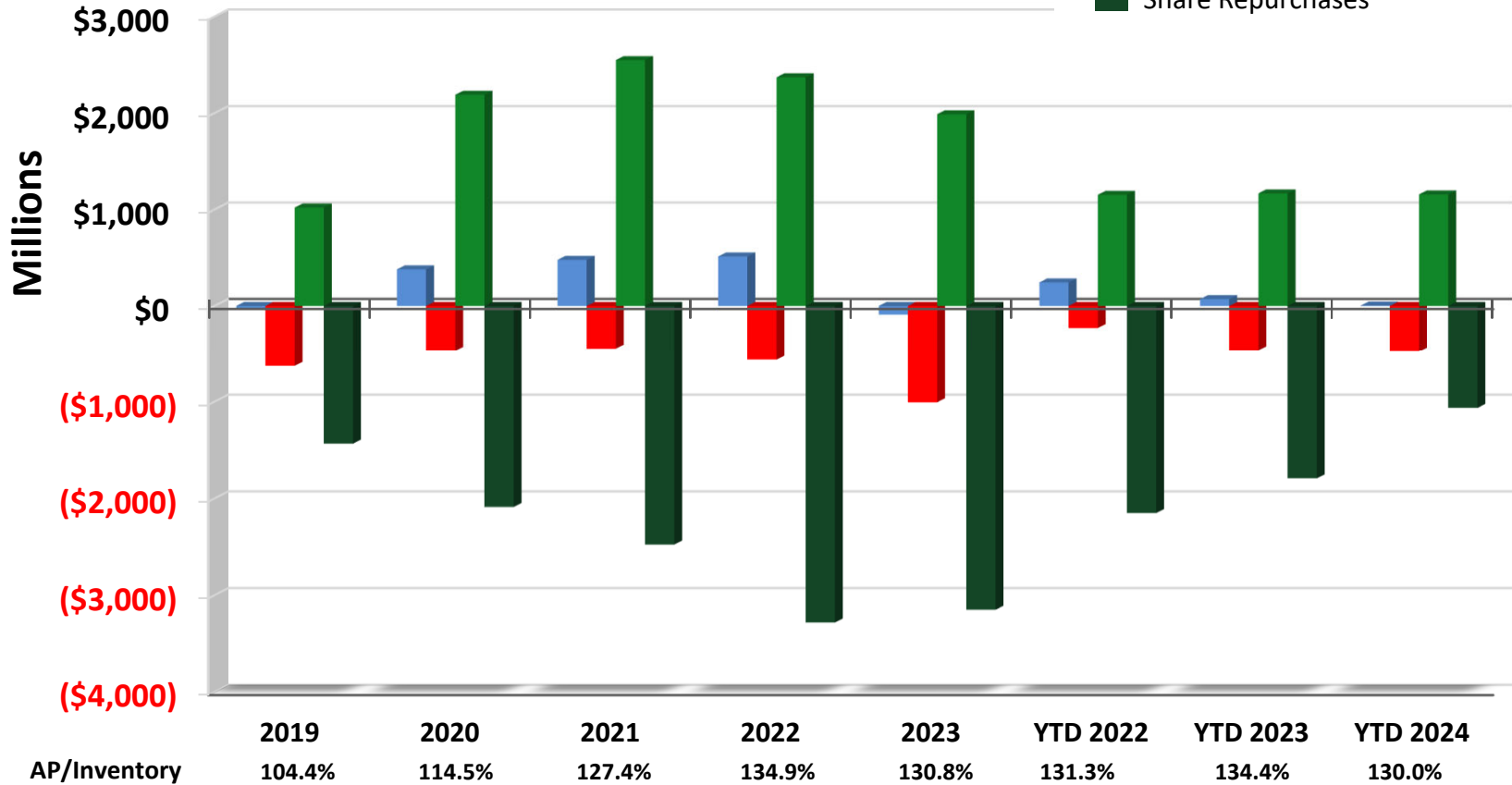
2024 Guidance

Full Year: \$40.75 - \$41.25



Free Cash

- Change in Net Inventory Investment
- Capital Expenditures
- Free Cash Flow
- Share Repurchases



2024 Guidance
(in millions) Full Year

Cap Ex: \$900 - \$1,000
Free Cash Flow: \$1,800 - \$2,100



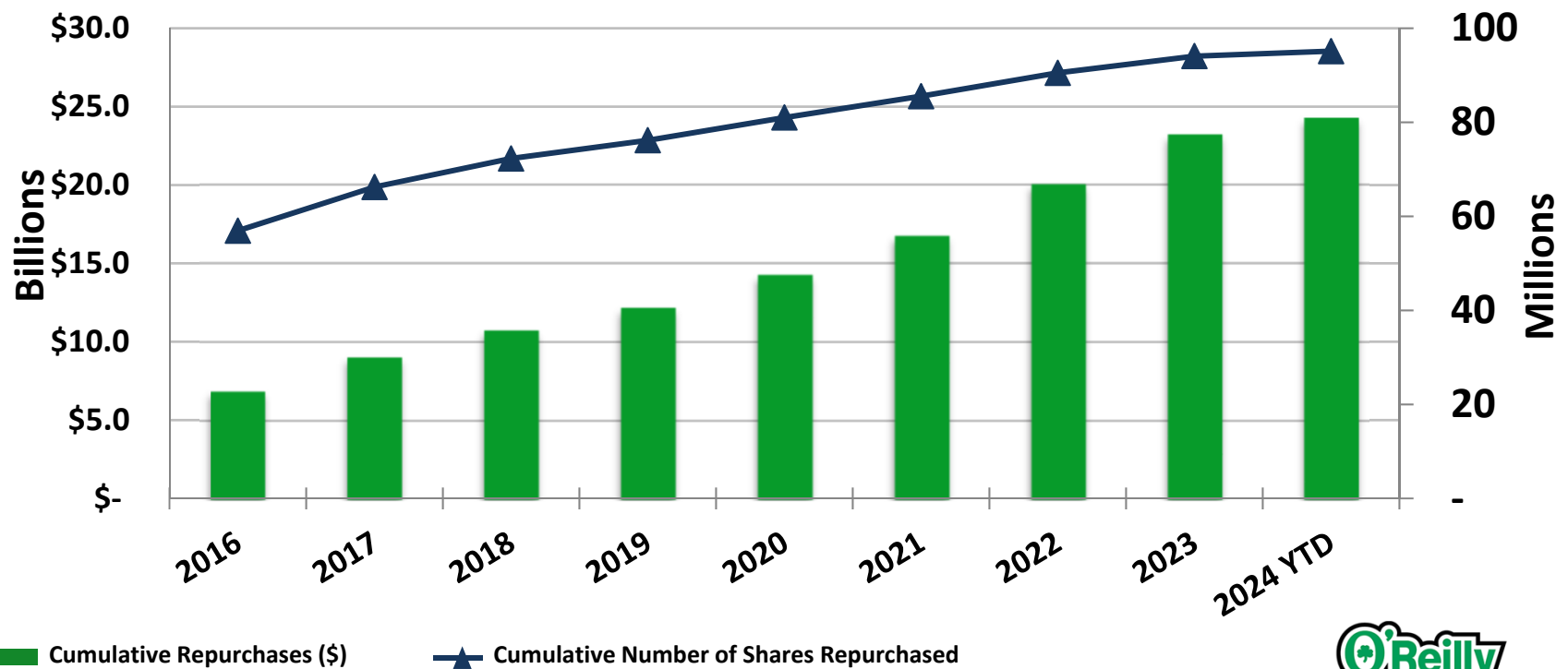
Use of Capital

- **Strategic Investments**







- Existing Stores/Capabilities
- Store Growth
- Consolidate the Industry

- **Capital Structure**

- Ensure Investment Grade Credit Ratings
- Conservative Adjusted Debt to EBITDAR target ratio of 2.5 times (Currently 1.97 times)
- Initial share repurchase authorization January 2011; Life-to-date authorization \$25.75 billion



Questions & Answer Session

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