



Annual Shareholders' Meeting
May 7, 2019

Forward Looking Statements

We claim the protection of the safe-harbor 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” 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 economy in general, inflation, tariffs, product demand, the market for auto parts, competition, weather, risks associated with the performance of acquired businesses, our ability to hire and retain qualified employees, consumer debt levels, our increased debt levels, credit ratings on public debt, governmental regulations, information security and cyber attacks, terrorist activities, war and the threat of war. 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, 2018, 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.

Company Overview

As of March 31, 2019

5,306

Stores in 47 states

27

**Regional, tiered
distribution centers**

80,000+

Team Members

\$9.7B

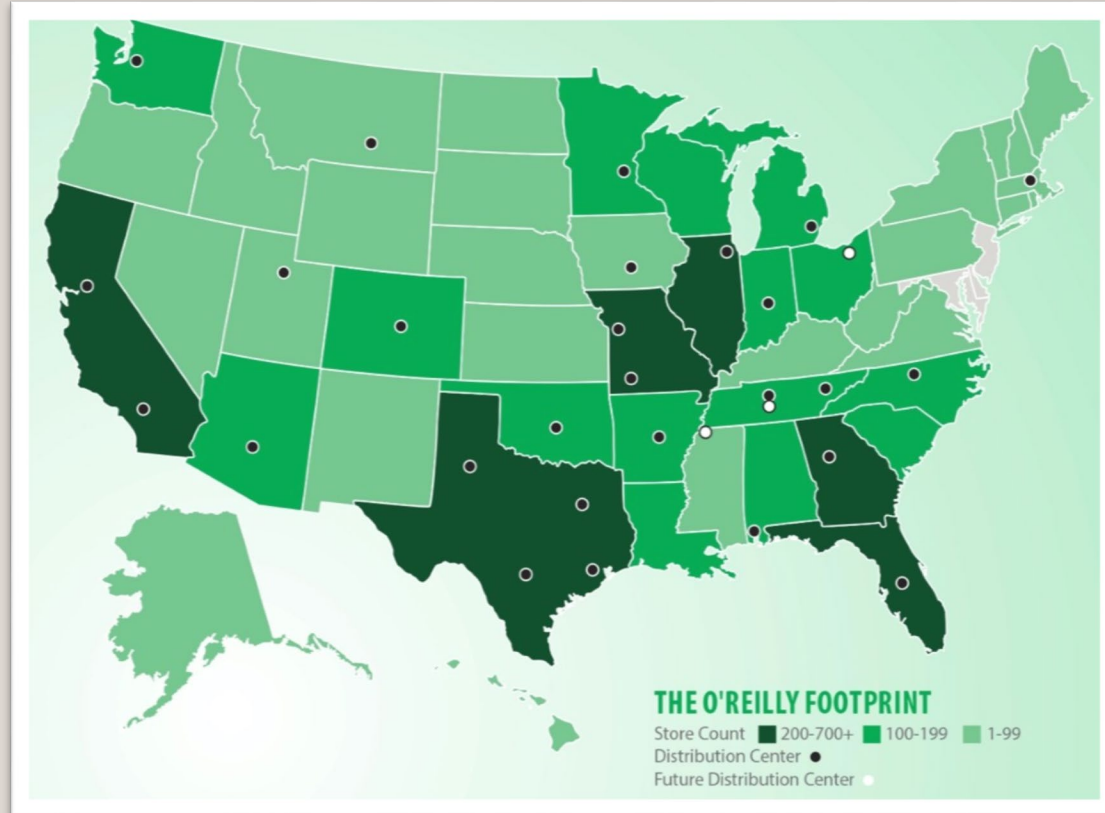
**Last-Twelve-Month
Sales**

\$10.1B

Total Assets

\$29B

**Market Capitalization as
of May 6, 2019**



26

**Years since initial public
offering in 1993**



Industry Landscape

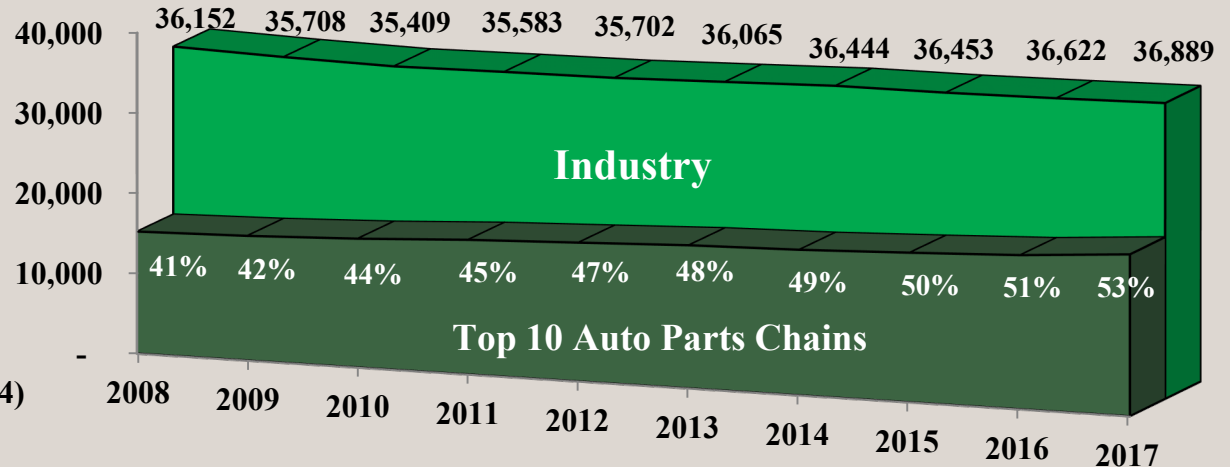
Top Ten Auto Parts Chains

1. AutoZone Inc. (5,651)¹
2. O'Reilly Auto Parts (5,306)
3. Advance Auto Parts (5,109)²
4. Genuine Parts/NAPA (1,150)^{1 2}
5. Pep Boys / Autoplus (1,069)²
6. Fisher Auto Parts (500)²
7. Auto-Wares (180)²
8. Replacement Parts, Inc. (177)
9. Automotive Parts Headquarters (124)
10. Hahn Automotive (94)

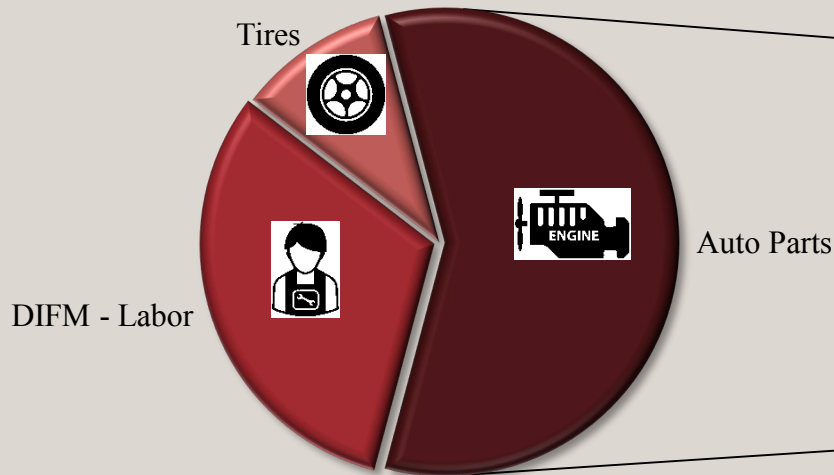
¹ U.S. Domestic Stores

² Company owned stores

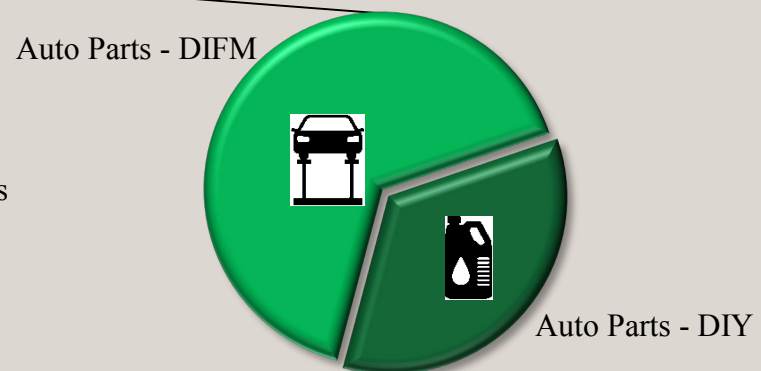
Source: ACA Factbook or latest SEC filing



Total Auto Care Market = \$296 Billion



Total O'Reilly Addressable Market = \$93 Billion



Source: AAIA Factbook and Company Estimates

2018 Highlights

\$1.2B

Free Cash Flow

\$1.7B

Share Repurchases

\$16.10

**Diluted Earnings Per Share – 27%
increase over prior year**

3.8%

Comparable store sales increase

52.8%

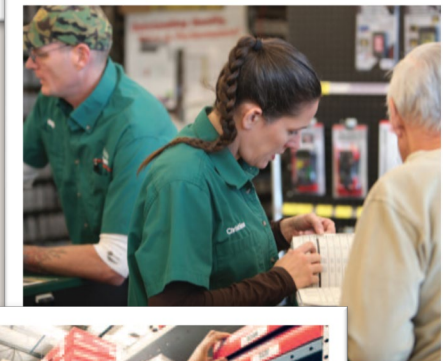
**Gross Margin – 27 bp increase
over prior year**

\$1.8B

**Operating Profit – 5% increase
over prior year**

200

**Net, new stores opened and
acquired 33 Bennett Auto Supply stores**



2019 1st Quarter Highlights

\$279M

Free Cash Flow

\$322M

Share Repurchases

\$4.05

**Diluted Earnings Per Share – 12% increase
over prior year**

3.2%

Comparable store sales increase

53.1%

**Gross Margin – 45 bp increase over
prior year**

\$445M

**Operating Profit – 5% increase over
prior year**

62

Net, new stores opened



2019 2nd QTR and Full-Year Guidance

2nd Quarter 2019

**3% to
5%**

**Comparable store sales
increase**

**\$4.55 to
\$4.65**

**Diluted Earnings Per
Share**



Full-Year 2019

**3% to
5%**

**Comparable store sales
increase**

**\$17.37 to
\$17.47**

**Diluted Earnings Per
Share**

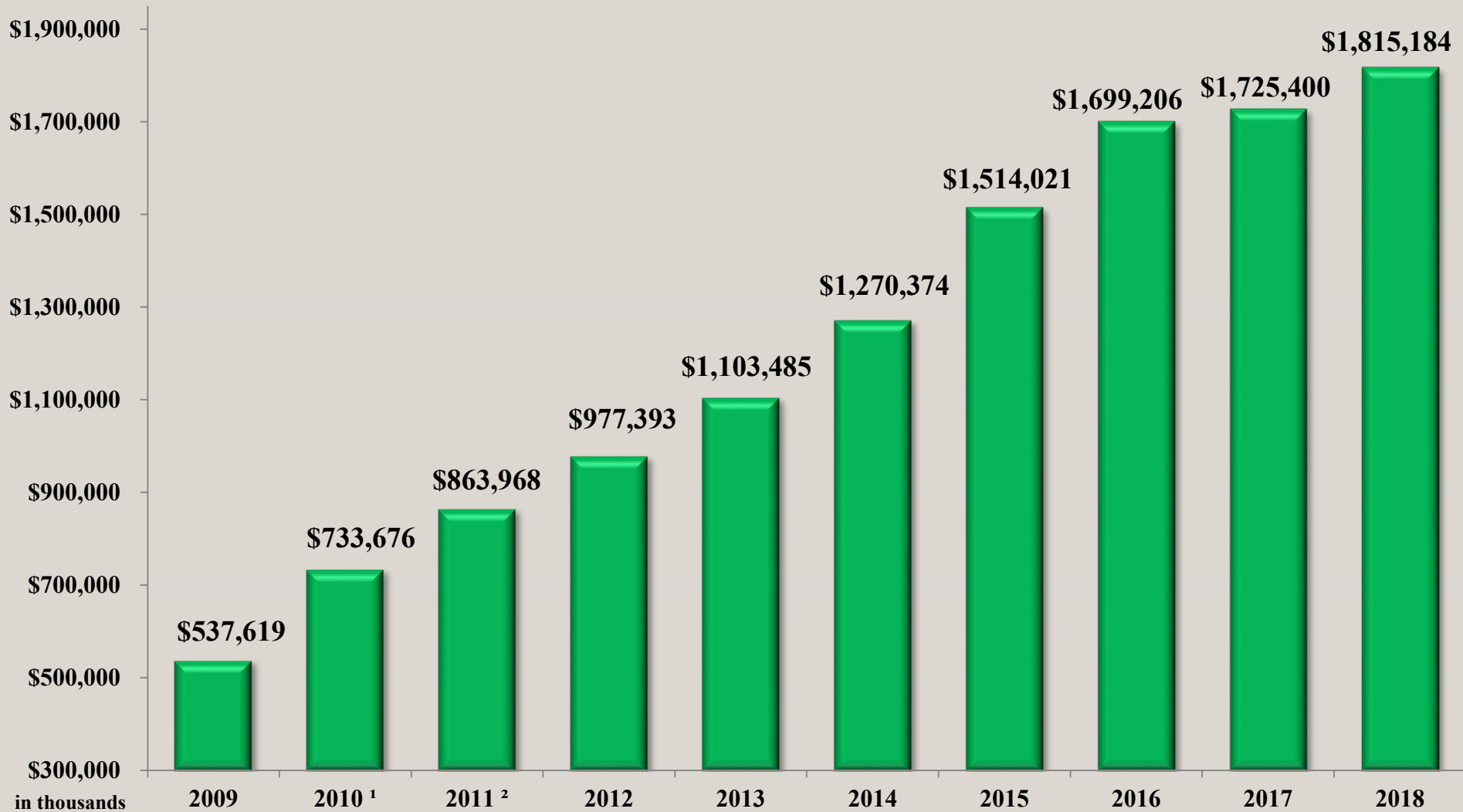
**18.7% to
19.2%**

Operating Margin

**\$1.0B to
\$1.1B**

Free Cash Flow

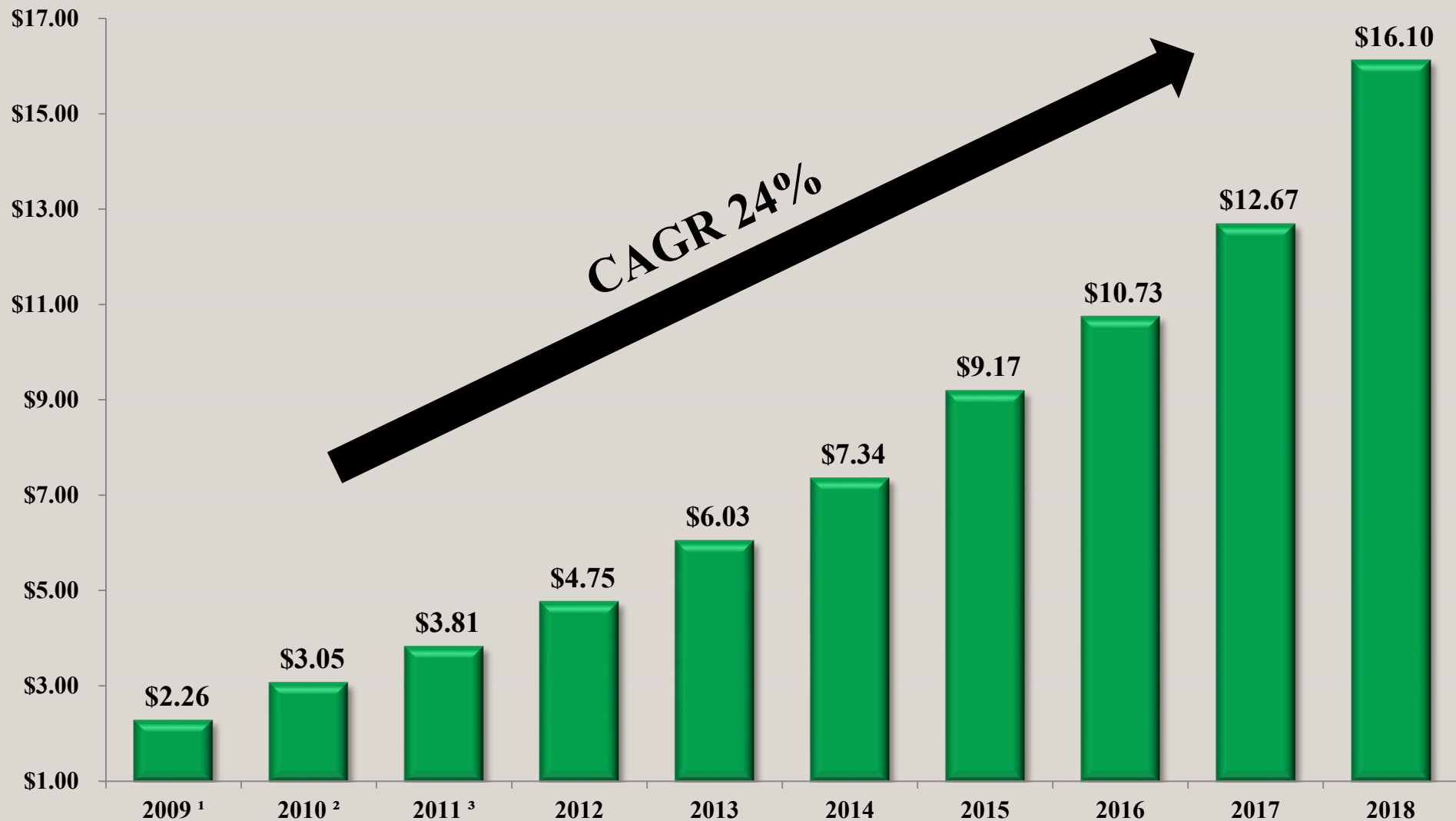
Operating Profit



¹ Excludes the impact of CSK DOJ investigation charges

² Excludes the impact of former CSK Officer clawback

EPS Growth



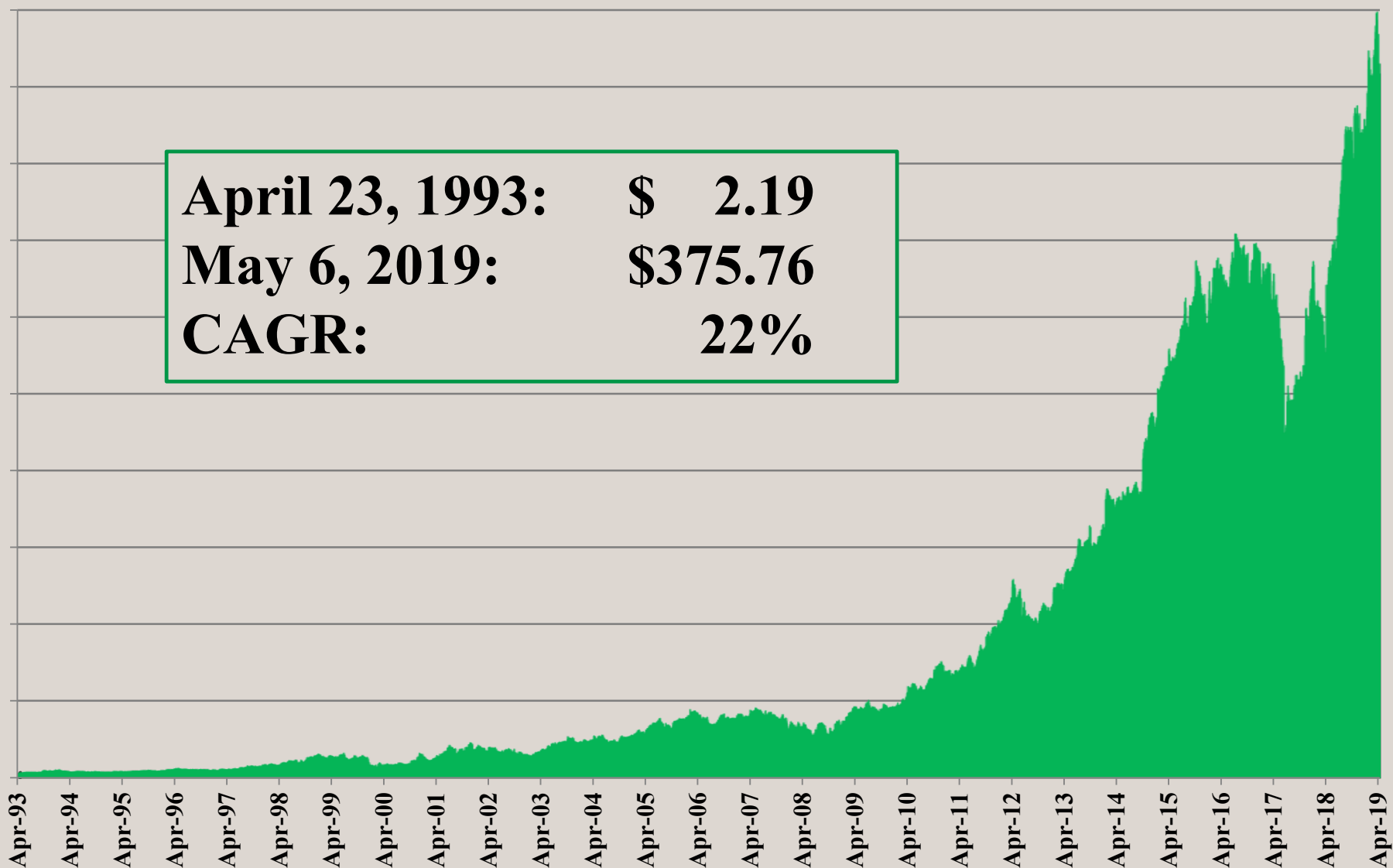
¹ Excluding the impact of CSK acquisition related charges

² Excluding the impact of CSK DOJ investigation charges and CSK notes receivable recovery

³ Excluding the impact of debt issuance and interest rate swap write off charges and former CSK officer clawback

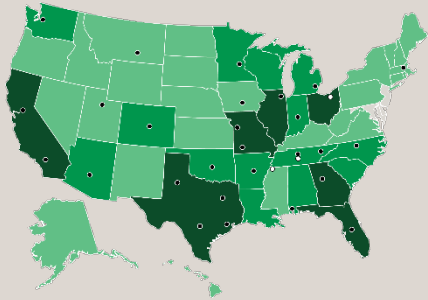
Split Adjusted Stock Price

April 23, 1993: \$ 2.19
May 6, 2019: \$375.76
CAGR: 22%



Profitable Growth Focus

Invest and grow market share in existing markets



Continued expansion in existing and new markets



200 new stores in 2018



200 to 210 new stores projected for 2019

- **O'Reilly Culture**
- **“Top Notch” Service**
- **Dual Market Strategy**
- **Professional Parts People**
- **“Promote from Within”**



Continued focus on consolidating the industry through strategic acquisitions

33 Bennett Auto Supply stores acquired on December 31, 2018



Strategic Distribution Systems

Primary factor in a customer's buying decision is parts availability

Our state-of-the-art facilities provide industry-leading inventory availability

27

Regionally deployed Distribution Centers "DCs" support our stores across the country

156K

Average SKUs stocked at our DCs, which are linked to multiple other Master Inventory DCs stocking over 175K SKUs

5

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

90%+

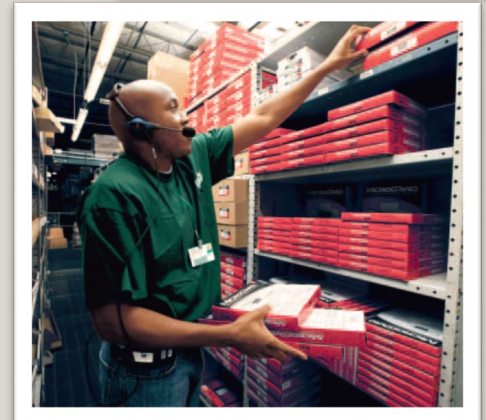
Of our stores receive multiple deliveries per day from our DCs and "Hub" stores

90%+

Of our stores receive deliveries on weekends from our DCs and "Hub" stores

342

"Hub" stores, of which 84 are "Super Hubs", provide multiple deliveries per day to "Spoke" stores



Distribution Network Expansion

Three Active Projects Currently Underway

Twinsburg, OH

- Capacity for 300 stores – expect to open with 175 stores
- Anticipate beginning store service in second half of 2019

Lebanon, TN

- Capacity for 300 stores – expect to open with 195 stores
- Anticipate beginning store service in first half of 2020

Horn Lake, MS

- Capacity for 250 stores – expect to open with 171 stores
- Anticipate beginning store service in second half of 2020



Commitment to Customer Service

We Sell Parts... But we've been in the “Customer Service” business since 1957

“Top Notch” Customer Service

- **Friendliest Parts Store in Town**
- **“Professional Parts People”**
- **“Out Hustle and Out Service” the competition**



“Never Say No” Philosophy

- **“Exhaust all resources to take care of our customer”**
- **Technical Support Department consisting of 44 Team Members with 748 years of automotive experience**

Culture Driven Leadership



Original Leadership



Current Leadership

“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!”

Questions?