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O'REILLY AUTOMOTIVE, INC. REPORTS RECORD THIRD QUARTER RESULTS 11.8% OPERATING MARGIN

Springfield, MO, October 26, 2004 -- O'Reilly Automotive, Inc. ("O'Reilly" or "the Company") (Nasdaq: ORLY) today announced record revenues and earnings for the third quarter of 2004, representing 44 quarters of record revenues and earnings for O'Reilly since becoming a public company in April 1993.

Net income for the third quarter ended September 30, 2004, totaled \$33.2 million, up 12.6% from \$29.5 million for the same period a year ago. Diluted earnings per share for the third quarter of 2004 increased 11.1% to \$0.60 on 55.8 million shares compared to \$0.54 for the third quarter of 2003 on 54.9 million shares. Product sales for the third quarter ended September 30, 2004, totaled \$455.2 million, up 10.4% from \$412.2 million for the same period a year ago. Gross profit for the third quarter of 2004 increased to \$195.8 million (or 43.0% of product sales) from \$175.7 million (or 42.6% of product sales) for the same period a year ago, representing an increase of 11.5%.

Net income for the first nine months of 2004 totaled \$93.0 million, up 22.1% from \$76.2 million for the same period a year ago. Diluted earnings per common share for the first nine months of 2004 increased 19.3% to \$1.67 on 55.6 million shares compared to \$1.40 a year ago on 54.3 million shares. Product sales for the first nine months of 2004 totaled \$1.29 billion, up 13.0% from \$1.14 billion for the same period a year ago. Gross profit for the first nine months of 2004 increased to \$552.9 million (or 42.7% of product sales) from \$482.3 million (or 42.1% of product sales) for the same period a year ago, representing an increase of 14.6%.

Comparable store product sales for stores open at least one year increased 3.4% and 6.2% for the third quarter and first nine months of 2004, respectively.

"We are very pleased with the company's performance this past quarter, particularly in light of the aftermarket's continued relative softness in sales and with the challenging circumstances that many of our stores in the southeast faced with the hurricane season," said David O'Reilly, co-chairman and chief executive officer. "Team O'Reilly fired on all eight cylinders throughout the quarter achieving a 3.4% comparable store sales increase and opening 35 new stores, driving a net income increase of 12.6%".

The Company will host a conference call Wednesday, October 27, 2004, at 10:00 a.m. central time to discuss its results, as well as future expectations. The call will be available by web cast at www.oreillyauto.com, www.vcall.com or www.streetevents.com. Investors may listen to the conference call live on the Company's web site, www.oreillyauto.com, by clicking "News". A replay will also be available on the web site shortly after the call.

O'Reilly Automotive, Inc. is one of the largest specialty retailers of automotive aftermarket parts, tools, supplies, equipment and accessories in the United States, serving both the do-it-yourself and professional installer markets. Founded in 1957 by the O'Reilly family, the Company operated 1,205 stores within the states of Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nebraska, North Carolina, Oklahoma, Tennessee, Texas and Virginia as of September 30, 2004.

The Company claims the protection of the safe-harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. These statements discuss, among other things, expected growth, store development 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, competition, product demand, the market for auto parts, the economy in general, inflation, consumer debt levels, governmental approvals, our ability to hire and retain qualified employees, risks associated with the integration of acquired businesses, weather, terrorist activities, war and the threat of war. Actual results may materially differ from anticipated results described in these forward-looking statements. Please refer to the Risk Factors sections of the Company's Form 10-K for the year ended December 31, 2003, for more details.

O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share data)

	September 30, 2004	December 31, 2003
	(Unaudited)	(Note)
Assets		
Current assets:		
Cash and cash equivalents	\$ 83,619	\$ 21,094
Accounts receivable, net	61,493	52,235
Amounts receivable from vendors, net	44,276	50,695
Inventory	612,699	554,309
Deferred income taxes	5,854	4,753
Other current assets	6,143	4,399
Total current assets	814,084	687,485
Property and equipment, at cost	747,749	626,142
Accumulated depreciation and amortization	208,080	177,084
Net property and equipment	539,669	449,058
Notes receivable, less current portion	22,082	24,313
Other assets, net	29,493	26,736
Total assets	\$ 1,405,328	\$ 1,187,592
Liabilities and shareholders' equity		
Current liabilities:		
Income taxes payable	\$ 17,128	\$ 6,872
Accounts payable	268,153	176,513
Accrued payroll	15,415	17,307
Accrued benefits and withholdings	36,979	27,368
Other current liabilities	26,032	16,883
Current portion of long-term debt	592	925
Total current liabilities	364,299	245,868
Long-term debt, less current portion	100,469	120,977
Deferred income taxes	38,120	29,448
Other liabilities	7,770	7,014
Shareholders' equity:		
Common stock, \$0.01 par value:		
Authorized shares – 90,000,000		
Issued and outstanding shares – 55,208,493 at September 30, 2004, and 54,664,976 at December 31, 2003		
	552	547
Additional paid-in capital	320,050	302,691
Retained earnings	574,068	481,047
Total shareholders' equity	894,669	784,285
Total liabilities and shareholders' equity	\$ 1,405,328	\$ 1,187,592

Note: The balance sheet at December 31, 2003, has been derived from the audited consolidated financial statements at that date, but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share data)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30,</u>		<u>September 30,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Product sales	\$ 455,162	\$ 412,182	\$1,293,623	\$1,144,769
Cost of goods sold, including warehouse and distribution expenses	<u>259,314</u>	<u>236,529</u>	<u>740,679</u>	<u>662,457</u>
Gross profit	195,848	175,653	552,944	482,312
Operating, selling, general and administrative expenses	<u>142,039</u>	<u>127,291</u>	<u>402,798</u>	<u>355,883</u>
Operating income	53,809	48,362	150,146	126,429
Other expense, net	<u>(791)</u>	<u>(1,179)</u>	<u>(1,675)</u>	<u>(4,594)</u>
Income before income taxes	53,018	47,183	148,471	121,835
Provision for income taxes	<u>19,775</u>	<u>17,650</u>	<u>55,450</u>	<u>45,650</u>
Net income	<u>\$ 33,243</u>	<u>\$ 29,533</u>	<u>\$ 93,021</u>	<u>\$ 76,185</u>
Net income per common share	<u>\$ 0.60</u>	<u>\$ 0.55</u>	<u>\$ 1.69</u>	<u>\$ 1.42</u>
Net income per common share - assuming dilution	<u>\$ 0.60</u>	<u>\$ 0.54</u>	<u>\$ 1.67</u>	<u>\$ 1.40</u>
Weighted-average common shares outstanding	<u>55,140</u>	<u>54,090</u>	<u>54,923</u>	<u>53,711</u>
Adjusted weighted-average common shares outstanding - assuming dilution	<u>55,778</u>	<u>54,864</u>	<u>55,627</u>	<u>54,282</u>

O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES
SELECTED FINANCIAL INFORMATION
(Unaudited)

	September 30,	
	2004	2003
Inventory turnover (1)	1.65	1.64
Inventory turnover, net of payables (2)	2.61	2.16
AP to inventory (3)	43.8%	28.7%
Debt-to-capital (4)	10.2%	12.9%
Return on equity (5)	14.2%	13.8%
Return on assets (6)	9.2%	9.0%
Square footage (in thousands)	8,016	7,082
Store count:		
New stores, net (three months ended)	35	33
Total stores	1,205	1,074
Total employment	17,320	15,660

	Three Months Ended	
	September 30,	
	2004	2003
Other information (in thousands):		
Capital expenditures	\$ 44,472	\$ 32,448
Depreciation & amortization	\$ 12,512	\$ 10,651
Interest expense	\$ 1,542	\$ 1,546
Lease & rental expense	\$ 8,478	\$ 8,559
Sales per weighted-average square foot (7)	\$ 56.65	\$ 57.63
Sales per weighted-average store (in thousands) (8)	\$ 376	\$ 380

- (1) Calculated as cost of sales for the last 12 months divided by average inventory. Average inventory is calculated as the simple average of beginning and ending inventory for the same period used in determining the numerator.
- (2) Calculated as cost of sales divided by average inventory less accounts payable. Average inventory is calculated as the simple average of beginning and ending inventory for the same period used in determining the numerator.
- (3) Accounts payable divided by inventory.
- (4) The sum of long-term debt and current portion of long-term debt, divided by the sum of long-term debt, current portion of long-term debt and total shareholders' equity.
- (5) Last 12 months net income divided by average shareholders' equity. Average shareholders' equity is calculated by taking a simple average of the beginning and ending shareholders' equity for the same period used in determining the numerator.
- (6) Last 12 months net income divided by average total assets. Average total assets is calculated by taking a simple average of the beginning and ending total assets for the same period used in determining the numerator.
- (7) Total sales less jobber sales, divided by weighted-average square feet. Weighted-average sales per square foot is weighted to consider the approximate dates of store openings or expansions.
- (8) Total sales less jobber sales, divided by weighted-average stores. Weighted-average sales per store is weighted to consider the approximate dates of store openings or expansions.