



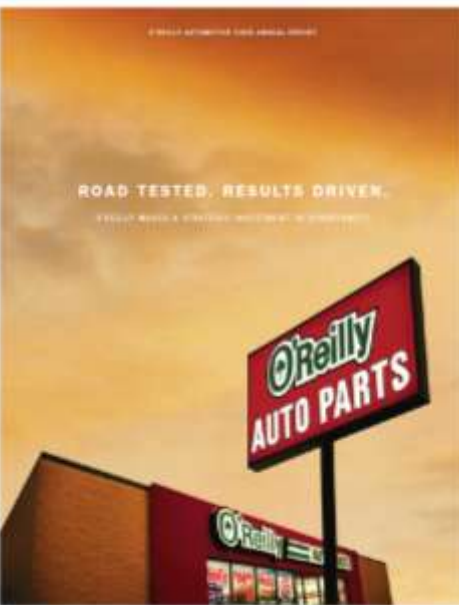
Analyst Day
Greensboro, NC
August 31, 2010

WELCOME AND AGENDA:

MARK MERZ

INVESTOR RELATIONS MANAGER

(417) 829-5878



Forward Looking Statements

The Company claims 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 “expect,” “believe,” “anticipate,” “should,” “plan,” “intend,” “estimate,” “project,” “will” or similar words. In addition, statements contained within this press release that are not historical facts are forward-looking statements, such as statements discussing among other things, expected growth, store development, CSK DOJ investigation resolution, 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, 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 such as the integration of CSK, weather, 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 the annual report on Form 10-K for the year ended December 31, 2009, for additional factors that could materially affect our financial performance.

O'Reilly Analyst Day – August 31, 2010

Agenda

8:00 – 8:30 am	Continental Breakfast
8:30 – 10:00 am	Presentation
10:00 – 10:45 am	Question & Answer Session
10:45 – 11:00 am	Break
11:00 – 12:00 pm	Distribution Center Tour
12:00 – 12:30 pm	Light Lunch
	Meet & Greet w/Management
12:30 – 2:30 pm	Store Tour
2:30 pm	Shuttle to Airport

INTRODUCTIONS AND INDUSTRY & COMPANY OVERVIEW:

GREG HENSLEE
CO-PRESIDENT AND CEO



O'Reilly Automotive, Inc.

Senior Management



(top row, left to right):

Jeff Shaw – SVP of Store Operations and Sales

Greg Johnson - SVP of Distribution

Mike Swearengin - SVP of Merchandise

Tom McFall - EVP of Finance and Chief Financial Officer

(bottom row, left to right):

Greg Henslee - Co-President and Chief Executive Officer

David O'Reilly - Chairman of the Board

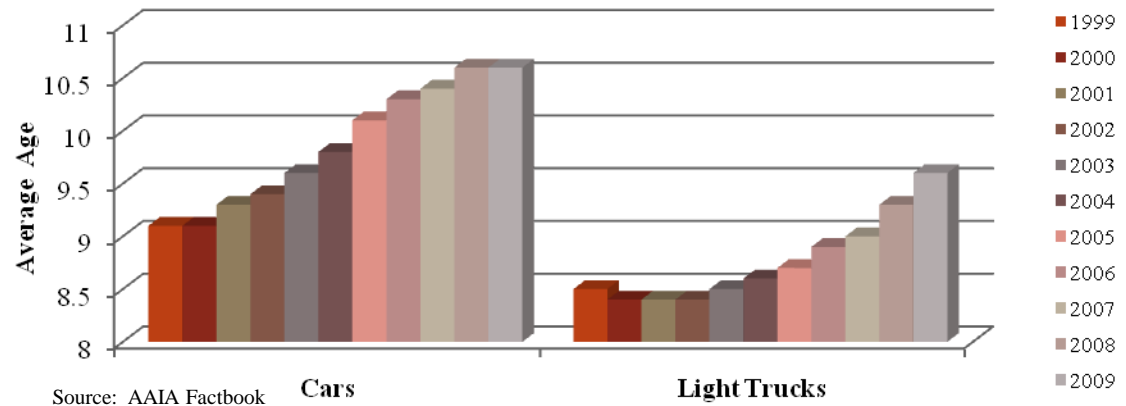
Ted Wise - Co-President and Chief Operating Officer

Industry Drivers

Continued Aging of U.S. Vehicle Population:

Falling new car sales – 2005 @ 17.5 million and 2009 @ 10.7 million

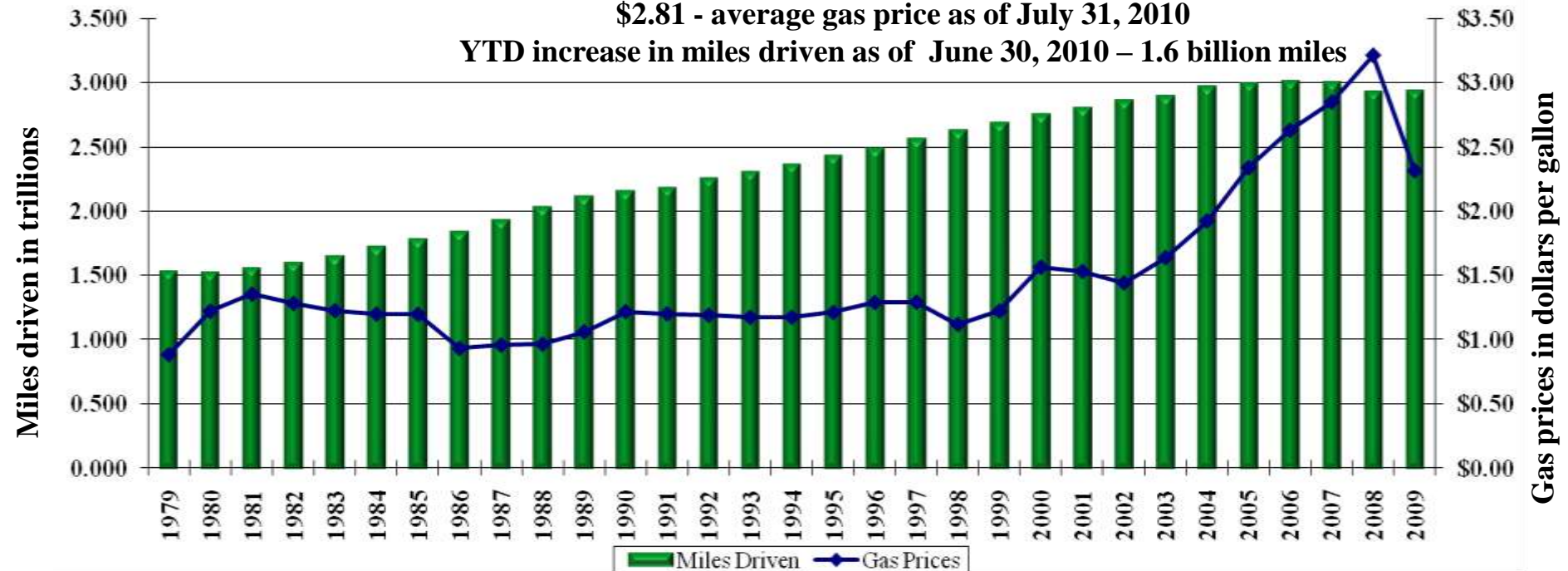
Tight consumer spending leads to investing in currently owned automobiles



U.S. Miles Driven and Gas Prices: 92% increase in miles driven from 1979 to 2009

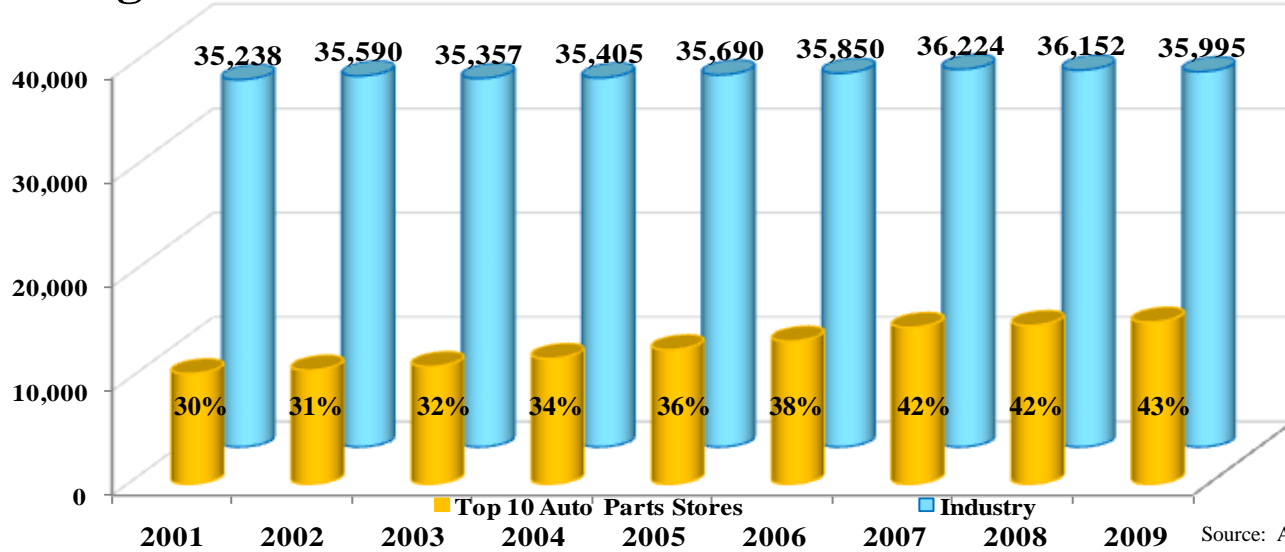
\$2.81 - average gas price as of July 31, 2010

YTD increase in miles driven as of June 30, 2010 – 1.6 billion miles



Industry Opportunities

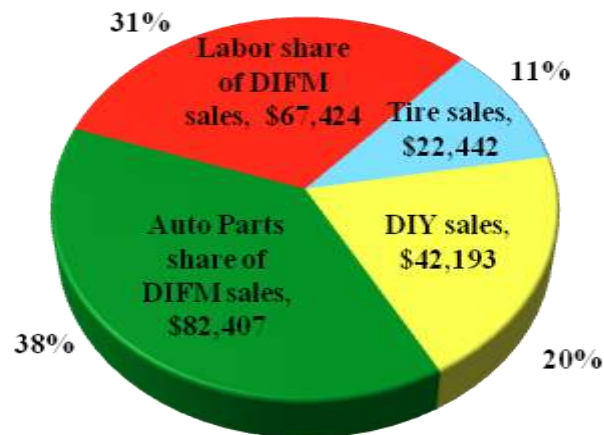
Fragmented Market:



Top Ten Auto Parts Chains

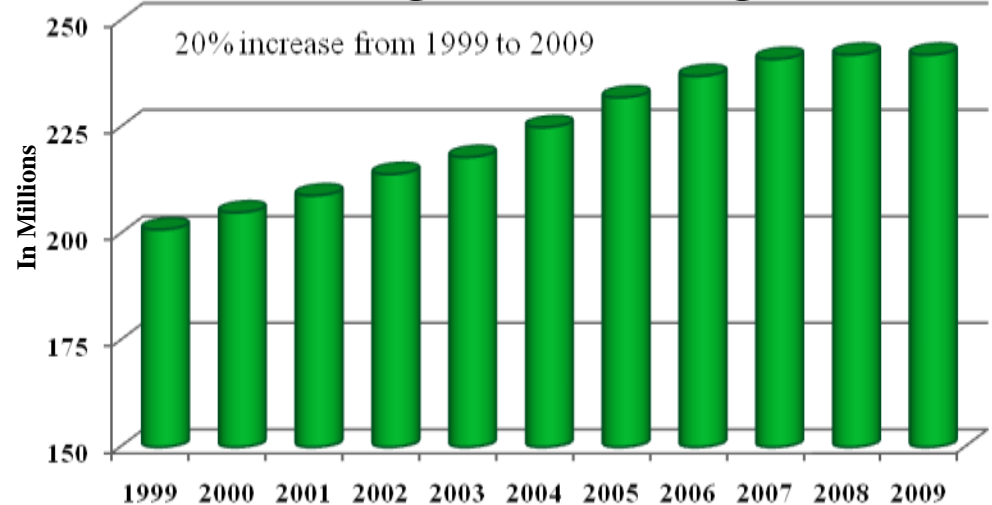
1. AutoZone Inc. (4,521)
2. Advance Auto Parts (3,497)
3. O'Reilly Auto Parts (3,492)
4. General Parts Inc./CARQUEST (1,500)
5. Genuine Parts/NAPA (1,047)
6. Pep Boys (590)
7. Fisher Auto Parts (300)
8. Uni-Select (271)
9. Replacement Parts Inc. (160)
10. Auto-Wares Group (132)

Size of Automotive Aftermarket



Source: AAIA Factbook

Total U.S. Light Vehicle Registrations:



Company Overview

Store Count

- 3,492 stores in 38 states as of June 30, 2010

Distribution Centers

- 23 DCs
- One existing CSK DC to relocate
- One existing CSK DC to convert

Team Members

- Over 46,000

Last-Twelve-Months Sales

- \$5.1 billion as of June 30, 2010

Market Capitalization

- \$6.5 billion at August 30, 2010

Total Assets

- \$4.9 billion as of June 30, 2010

2nd Quarter 2010 Highlights



Opened 24 New Stores and Two Distribution Centers



7.9% Comparable Store Sales



Adjusted Operating Margin Increased to 14.2%



\$0.81 Adjusted Diluted Earnings Per Share versus \$0.62 for the same period in 2009



\$94 million in Free Cash Flow



Raised 2010 Full Year Comparable Store Sales Guidance to 5% to 7%



3rd Quarter EPS Guidance of \$0.69 to \$0.73



Raised 2010 Adjusted EPS Guidance to \$2.75 to \$2.85



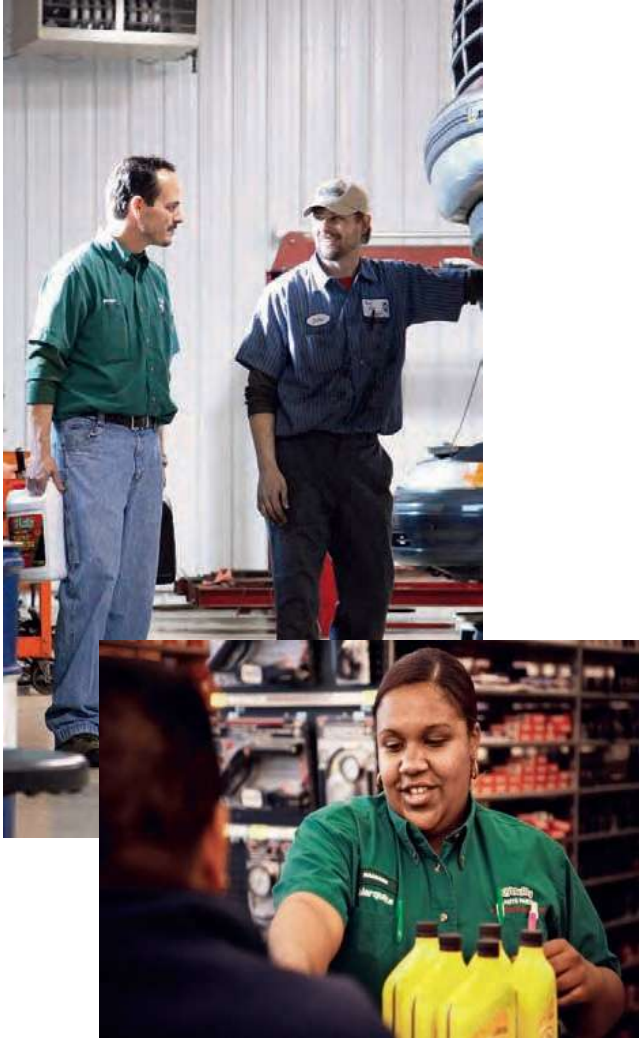
STORE OPERATIONS:

TED WISE

CO-PRESIDENT AND COO



Dual Market Strategy



- Established track record of serving both DIY and DIFM customers
- Greater market penetration and reduced vulnerability to competition
- Leverages our existing retail and distribution infrastructure
- Can profitably operate in large and small markets
- Enhances service levels offered to our DIY customers
- Significant barriers to success in DIFM market

Core O'Reilly Focus

- Grow market share in existing markets
- Continued expansion through new store growth
 - 150 new stores in 2010
- Continued focus on consolidating the industry



CSK Store Integration Focus



ACCOMPLISHED

- Master Inventory “Hub” stores in western states
- 865 of 1,300 stores on O’Reilly systems and distribution network
- Commercial programs in two-thirds of CSK stores
- Hard-part resets in all stores
- Added private label inventory providing “Good”, “Better” & “Best” selection
- Competitive Pricing



CSK Store Integration Focus



To Be Accomplished

- Install store décor and graphic packages
- Complete outside sign changes
- Complete commercial program rollouts
- Expand and enhance professional sales team
- Continue to improve Team Member parts knowledge
- Transition to O'Reilly team incentive pay and commission plans
- Refine Product mix based on markets
- Increase import OE coverage offerings

CSK Integration

CSK Store Conversions - Exterior

Store #3247 – Lombard, Illinois



Store #2852 – Alamogordo, New Mexico

CSK Integration

CSK Store Conversions - Interior

BEFORE



AFTER



CSK Store Conversions



Seattle

- 194 stores
- Began:
Nov. 2009
- Completed:
Jan. 2010



Moreno Valley

- 240 stores
- Began:
Jan. 2010
- Completed:
Mar. 2010



Denver

- 92 stores
- Began:
Mar. 2010
- Completed:
April 2010



Salt Lake City

- 81 stores
- Began:
May 2010
- Completed:
Jun. 2010



Stockton

- 278 stores
- Begins:
Sept. 2010
- Complete:
Oct. 2010



Phoenix

- 151 stores
- Begins:
Nov. 2010
- Complete:
Nov. 2010

November 2009 thru fall of 2010

DISTRIBUTION OPERATIONS:

GREG JOHNSON SVP OF DISTRIBUTION



Regional Distribution Network

O'Reilly Distribution Centers

Atlanta, GA	Belleville, MI
Billings, MT	Brooklyn Park, MN
Dallas, TX	Denver, CO
Des Moines, IA	Greensboro, NC
Houston, TX	Indianapolis, IN
Knoxville, TN	Kansas City, MO
Little Rock, AR	Lubbock, TX
Mobile, AL	Moreno Valley, CA
Nashville, TN	Oklahoma City, OK
Salt Lake City, UT	Seattle, WA
Springfield, MO	

Stockton, CA



Phoenix, AZ

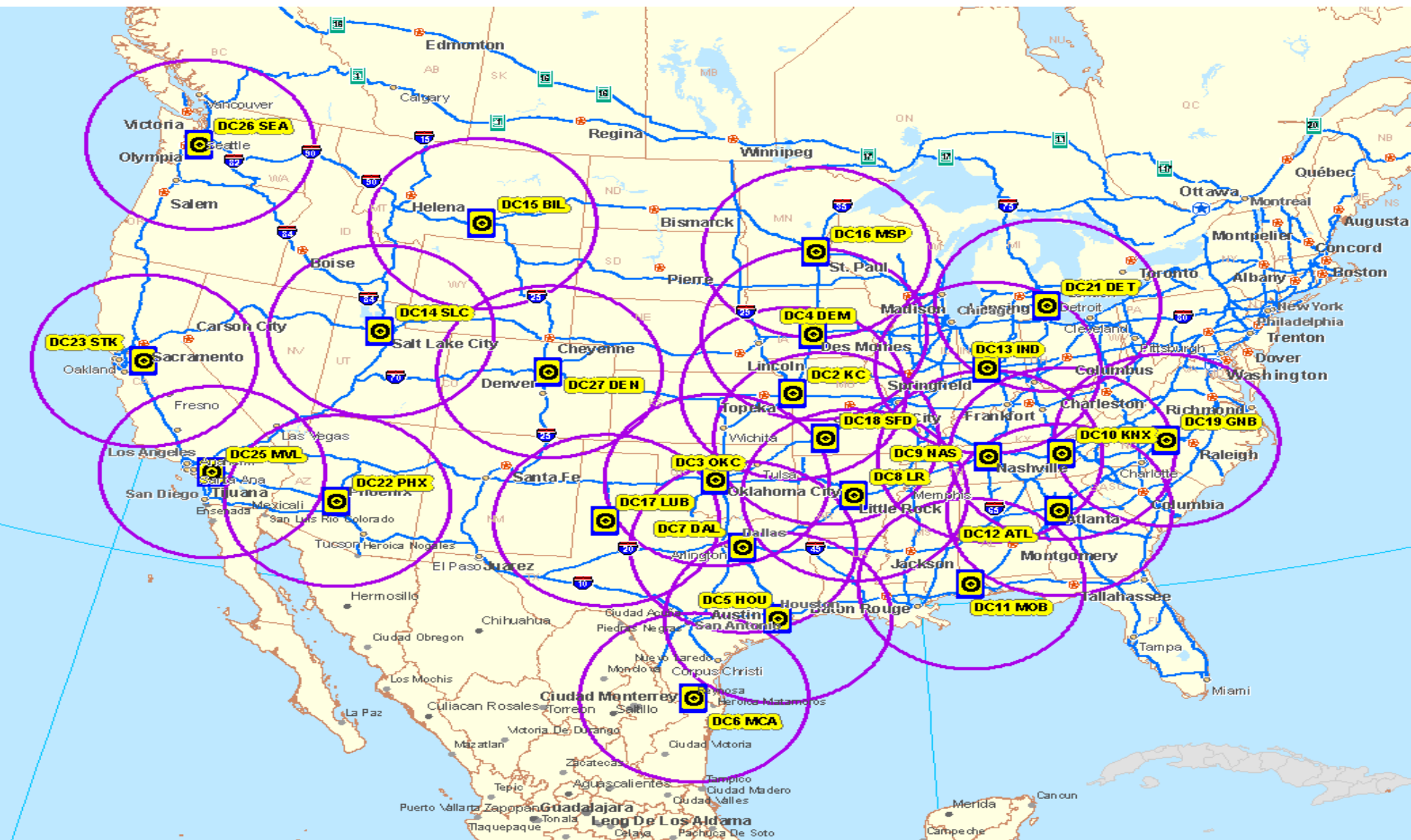


Strategic Distribution Systems

- Distribute to stores daily
 - Company-owned fleet
- Multiple deliveries per day to stores serviced by “city-counter”
 - Currently 1,204 stores on “city-routes”
- State of the art facilities
 - Advanced material handling equipment
 - Progressive slotting and picking technology
- Stock an average of 128,000 SKUs
 - Same day or overnight availability
- 175 master inventory “Hub” stores



Distribution Reach



Distribution Projects



ACCOMPLISHED

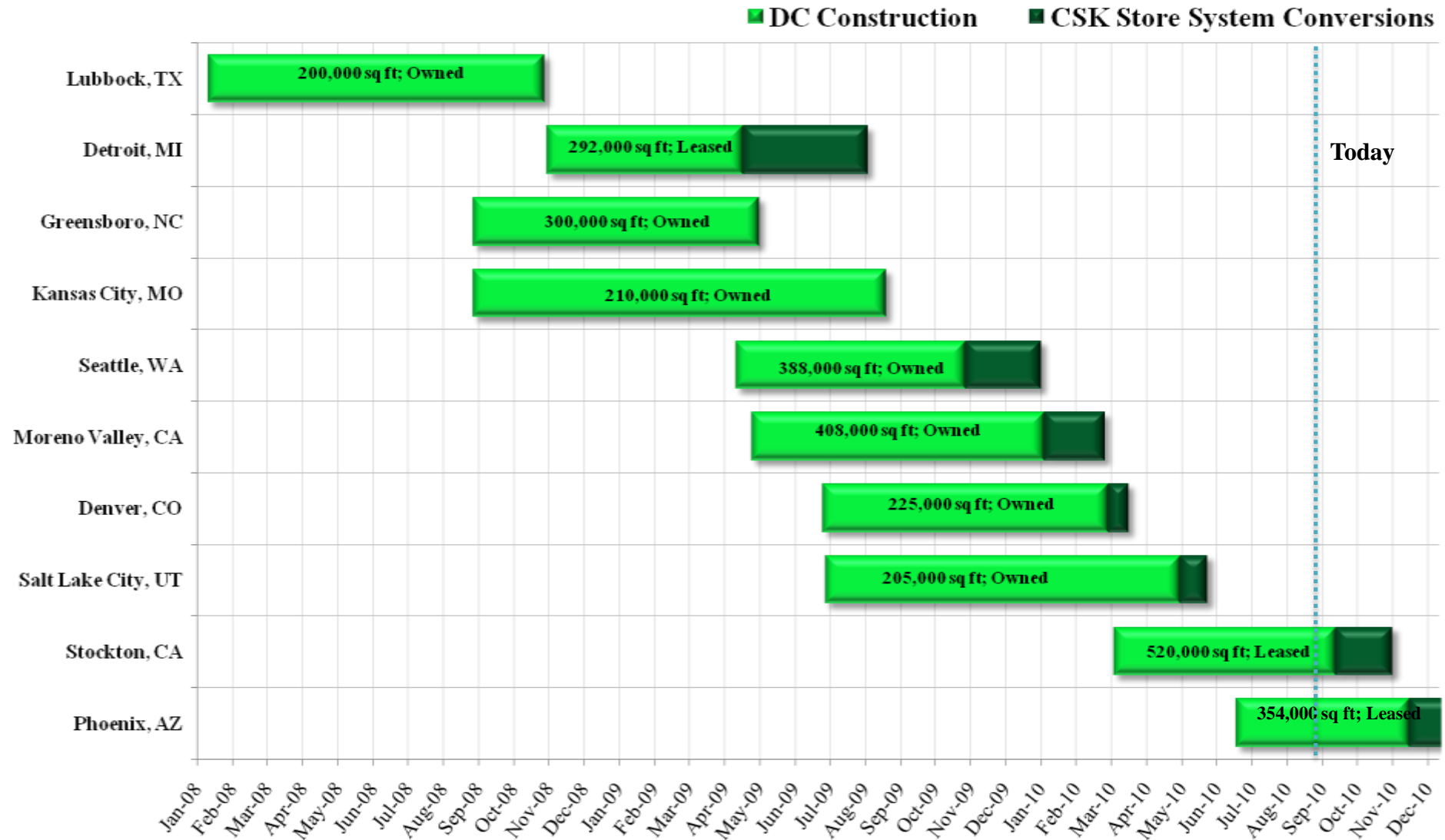
- Detroit Distribution Center
 - Conversion in Apr. 2009
- Distribution Center Openings
 - Seattle in Nov. 2009
 - Moreno Valley in Jan. 2010
 - Denver in Mar. 2010
 - Salt Lake City in May 2010



TO BE ACCOMPLISHED

- Relocation of Dixon Distribution Center to Stockton, CA
 - September 2010
- Phoenix Distribution Center
 - Conversion in Nov. 2010

Distribution Projects Timeline



STORE OPERATIONS & SALES:

JEFF SHAW

SVP OF STORE OPERATIONS AND SALES

**CERTIFIED
AUTO REPAIR**



**FIRST
CALL** **ONLINE**

“Top Notch” Customer Service

Replicating the O’Reilly Business Model



Field Management in Acquired Stores Restructured

- Formed two divisions
 - Approximately 500 stores each
- Added four new Regions
 - Reduced store count per region from 175 to 110
- Added 13 new Districts
 - Reduced store count per district from 17 to 11

“Top Notch” Customer Service

Replicating the O’Reilly Business Model

Store Staffing

- Extensive management evaluations
 - Store managers
 - Assistant managers
 - Commercial managers
- Staffing review
 - Improved scheduling
 - Increased productivity
- Commercial service levels
 - Added delivery trucks
 - Hired additional drivers



“Top Notch” Customer Service

Replicating the O’Reilly Business Model



“Strategic Hires”

- Commercial business is a relationship business
 - “People buy from People”
- Identified and documented potential “strategic hires” by market
 - Takes time - months to years
 - Must be able to support the “strategic hire”
 - Enhanced store inventory
 - Hub store support
 - Delivery trucks and drivers
 - Windfalls can be huge
- Successful hires to date
 - Approximately 50 “strategic hires” in 2010
 - 110 since July 2008

“Top Notch” Customer Service

Replicating the O’Reilly Business Model

Training

- Keith Childers – VP of CSK Store Integration
- One “core” O’Reilly Regional Manager transferred to each CSK Division
- Regular training
 - Regional and District Manager meetings/workshops
 - O’Reilly Culture and Programs
- Position specific training
 - Sales specialist workshops
 - Fundamentals of effective sales calls
 - Installer service specialists workshops
 - Commercial business philosophy
- O’Reilly Point-of-Sale systems
 - Classroom training prior to conversion
 - Store manager procedures training
 - On-site training for 2 weeks after conversion
 - Regional and District manager training
 - Learning Management System available to stores
 - Productivity tracking by Team member



Commercial Strategy

Increasing Accountability and Improving the Sales/Ops Relationship

- Restructured Sales Force
 - Two “field based” Divisional Sales Managers
 - Added 12 Regional Field Sales Managers
 - Develop our sales specialist program
 - Increase accountability of sales force
 - Added 40 Territory Sales Managers
 - Enhanced coverage
 - Professional representation
- First Call Online
 - Converted over 5,000 CSK accounts to FCO
 - Added 2,000 new accounts
- Certified Auto Repair Program
 - Converted 111 CSK shops
 - Added 339 new shops
- Implemented Installer Programs Field Coordinator
 - One per Division
 - Aggressively promote CAR
- Installer Technical Training
 - Doubled training
 - Over 150 classes scheduled

Commercial Strategy

Increasing Accountability and Improving the Sales/Ops Relationship

Entire Market Focus

- Independent shops
- Foundation type accounts
- Fleet/HD
- Agriculture
- Vendor fieldwork
 - Joint sales calls with vendors
 - 17,297 year to date
 - 10 different vendors



MERCHANDISE INTEGRATION AND MARKETING:

MIKE SWEARENGIN SVP OF MERCHANDISE



CSK Merchandise Integration Focus



ACCOMPLISHED

- **100%** complete in hard-part resets
- Significantly increasing SKU availability in stores
- “Good”, “Better” and “Best” product lines
- Addition of O'Reilly brands
 - Chemicals and commodities
 - Proprietary private label products
- Prices reduced to be market competitive
- Removal of non-core merchandise



TO BE ACCOMPLISHED

- Continue to refine product mix
 - Based on market and vehicle registrations
- Continue to increase import OE offerings
- Complete front room, non-application part changeovers

Marketing and Advertising Strategy

Strategy Prior to CSK Acquisition

- Build brand name recognition through motorsports and sports sponsorships
- Utilize item/price radio advertising to stimulate sales during high seasonality months
- Drive store traffic around key DIY activity periods with promotional retail print
- Hi/Low promotional pricing



Strategy After CSK Acquisition

- Build brand awareness and establish a competitive point of difference through year-round radio advertising
- Regionalize promotional retail print based on market geography/climate to drive traffic during high seasonality month
- Market to the Hispanic consumer with dedicated advertising, promotional and grassroots programs
- Maintain strategic motorsports and sports sponsorships that deliver maximum brand name recognition
- Everyday low price



CSK Marketing Integration Focus



ACCOMPLISHED

- Co-branded O'Reilly with CSK brands in all materials
- Supported all stores with radio and print advertising
- Increased activation around motorsports sponsorships
- Tested Hispanic marketing initiatives
- Expanded installer sales materials
- Introduced installer customer acquisition programs
- Launched a new oreillyauto.com e-commerce website

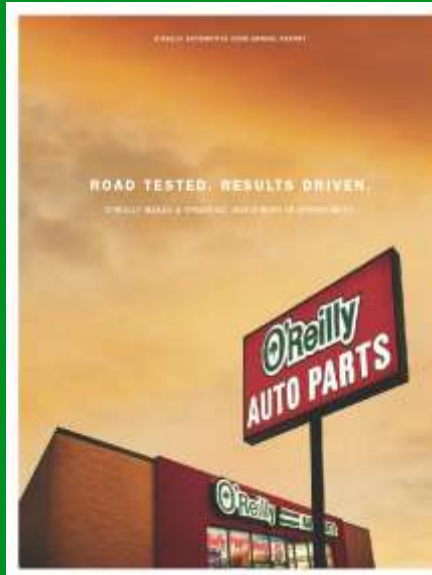


TO BE ACCOMPLISHED

- Establish O'Reilly Brand awareness across all marketing
- Support markets as they change from CSK to O'Reilly
- Regionalize advertising and promotional activity
- Increase sales to Hispanic customers
- Test new, strategic sports sponsorships

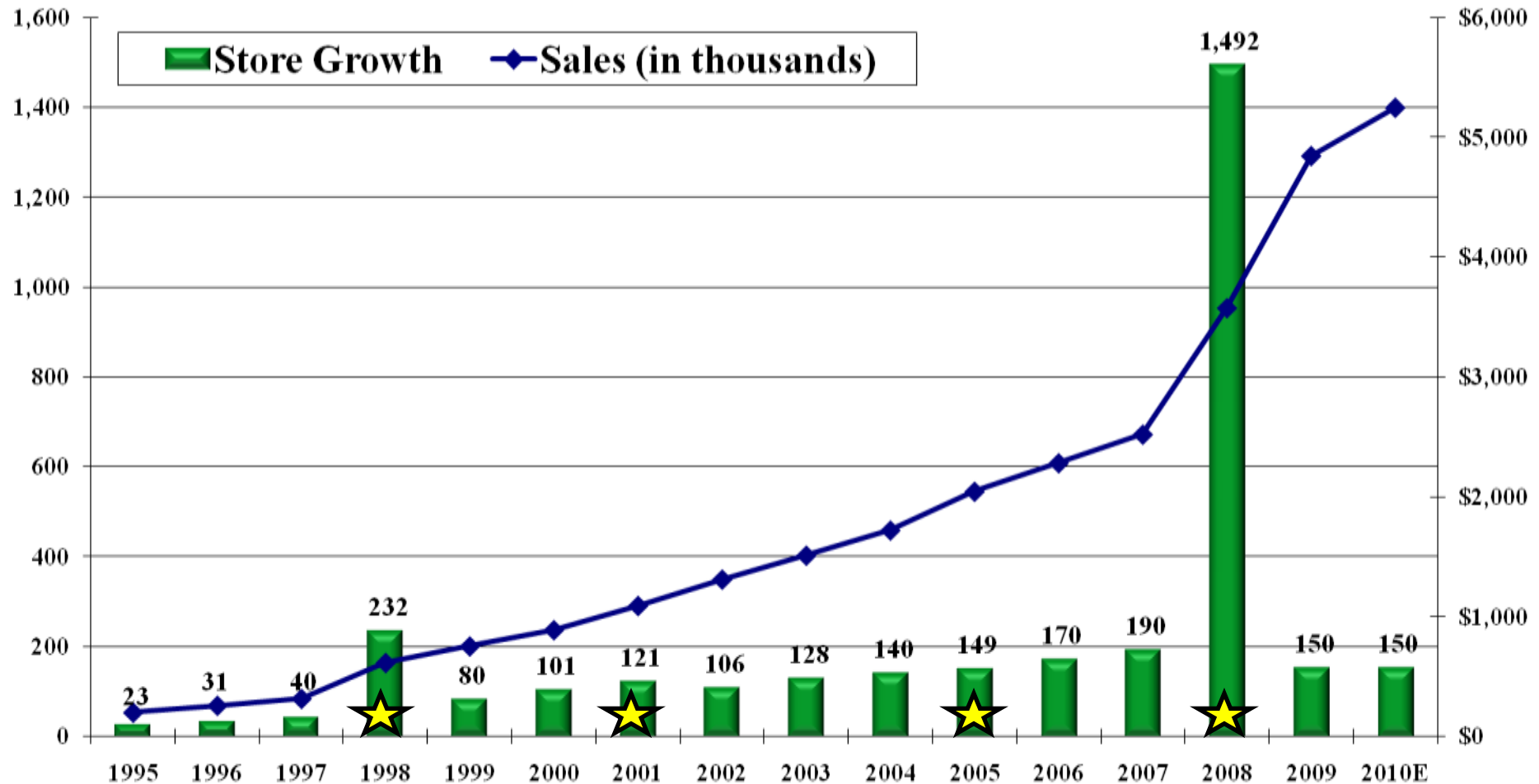
FINANCIAL OVERVIEW:

TOM McFALL EVP OF FINANCE AND CFO



Store & Revenue Growth

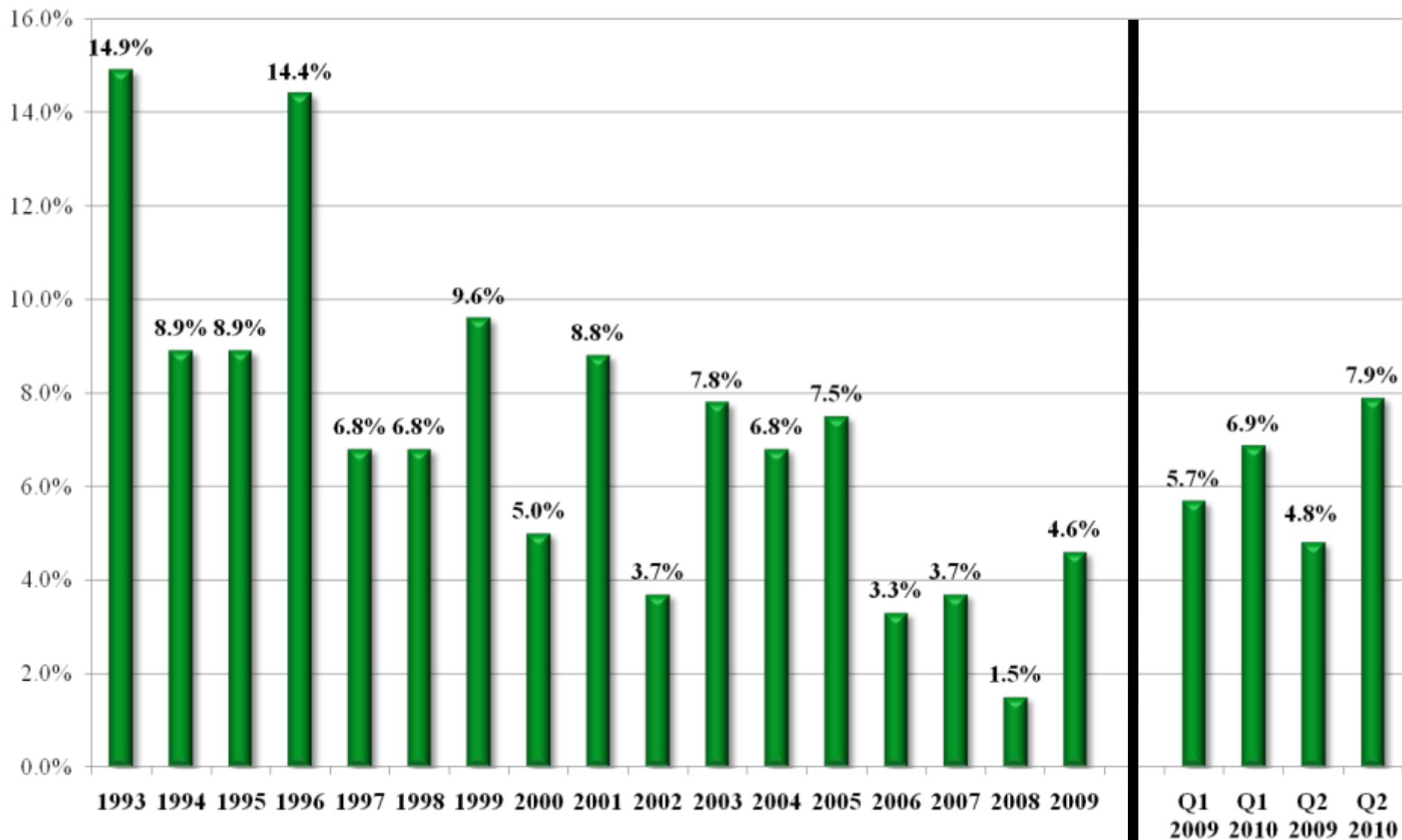
2010 Guidance
\$5.2 to \$5.3 billion



Major acquisitions: 1998 Hi/LO – 182 stores acquired; 2001 Midstate – 82 stores acquired; 2005 Midwest - 72 stores acquired; 2008 CSK Auto – 1,342 stores acquired

Consolidated Comparable Store Sales

2010 Guidance
5% to 7%



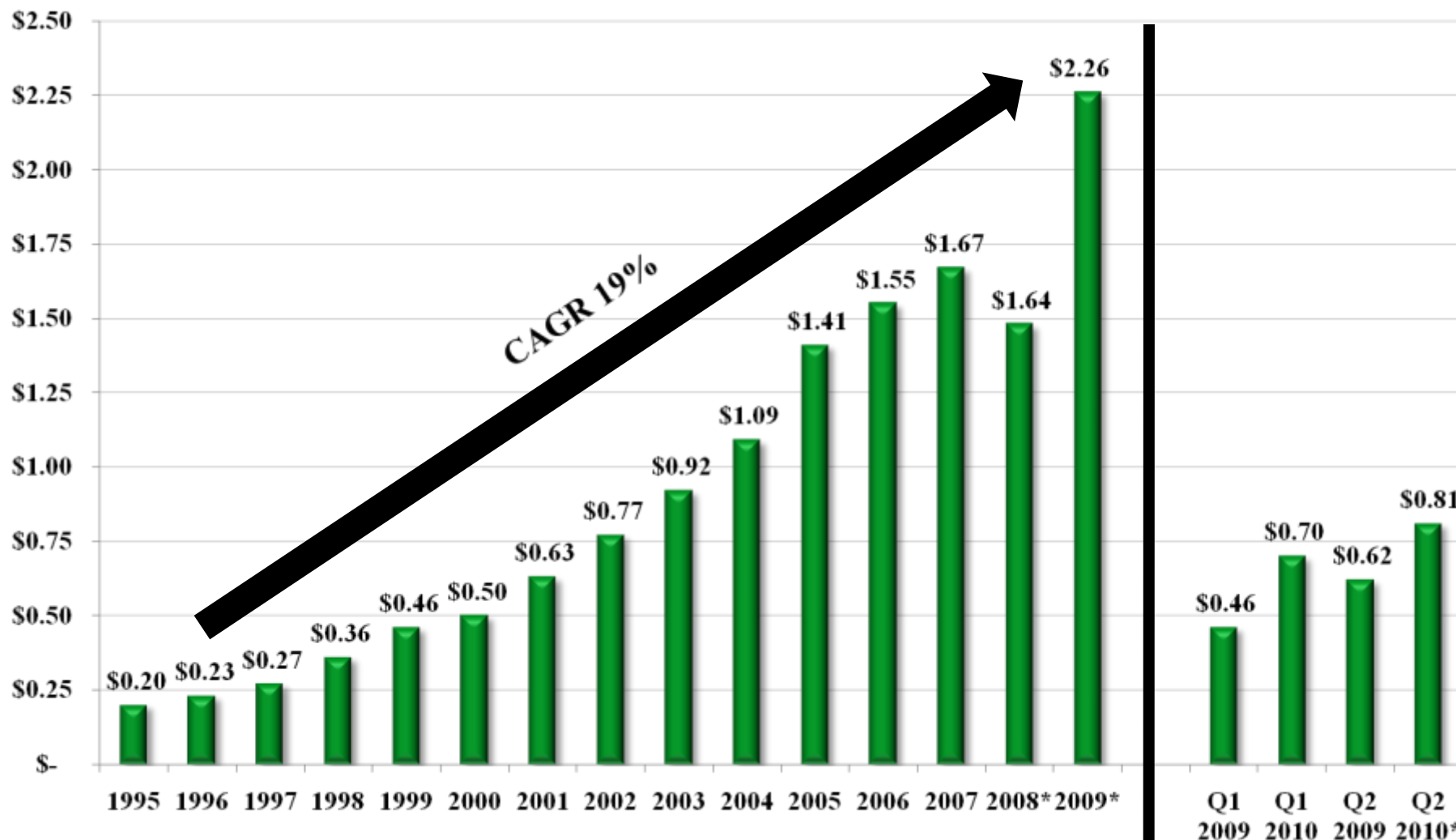
Consolidated Operating Margin



* Adjusted diluted earnings per share, excluding the impact of acquisition related charges

Fueling EPS Growth

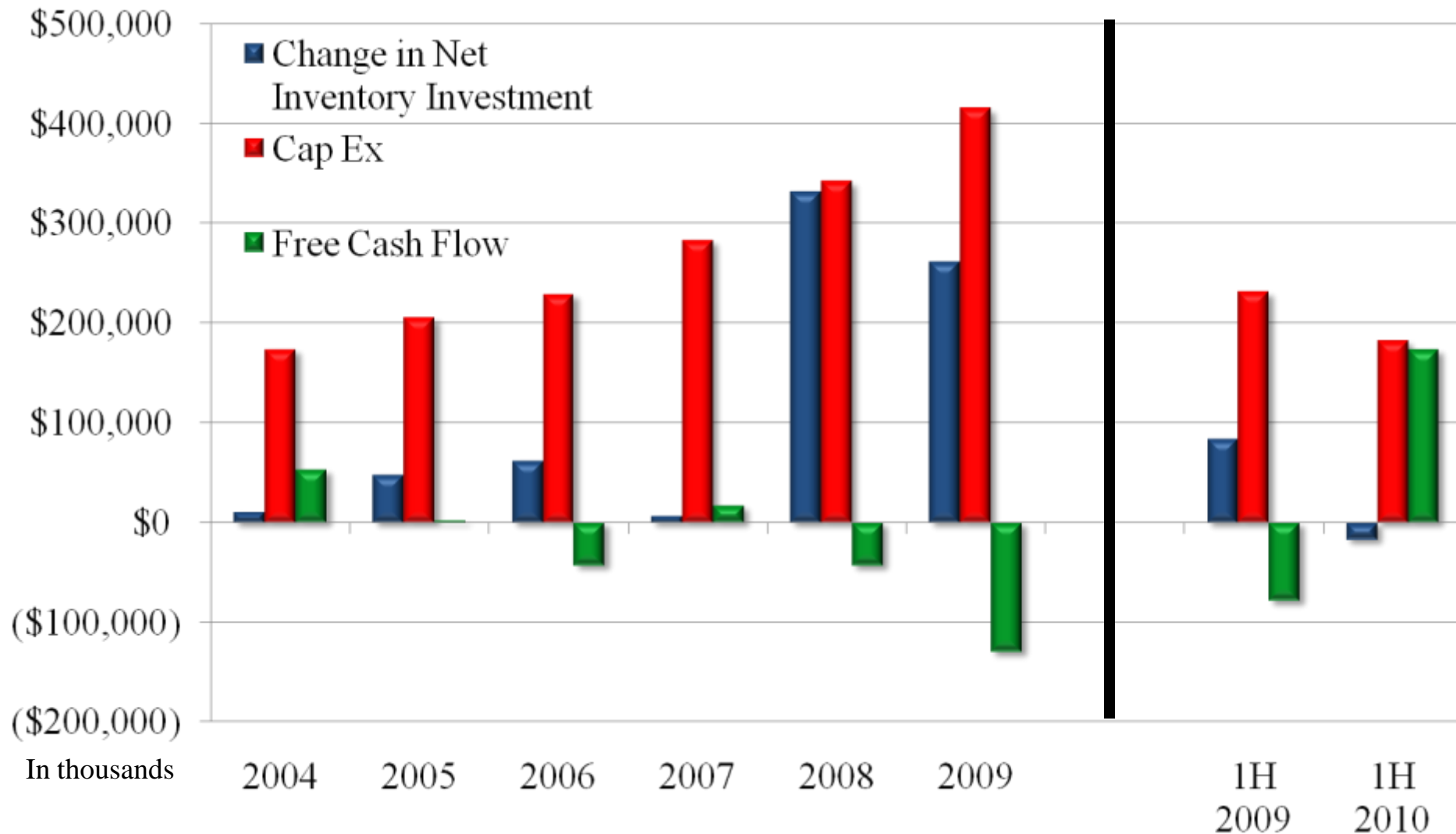
2010 Guidance
Adjusted \$2.75 to \$2.85 *
GAAP \$2.64 to \$2.74



* Adjusted diluted earnings per share, excluding the impact of acquisition related charges

Free Cash

2010 Guidance (in millions):
 Cap Ex: \$370 - \$410
 Free Cash Flow: \$150 - \$200



QUESTION & ANSWER SESSION: MANAGEMENT

Remaining Agenda:

10:45 – 11:00 am	Break
11:00 – 12:00 pm	Distribution Center Tour
12:00 – 12:30 pm	Light Lunch
	Meet & Greet w/Management
12:30 – 2:30 pm	Store Tour
2:30 pm	Shuttle to Airport

O'Reilly Culture Statement

"We are **ENTHUSIASTIC, HARDWORKING PROFESSIONALS** who are **DEDICATED** to **TEAMWORK, SAFETY, 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!"