



**35<sup>th</sup> Annual Gabelli Automotive  
Aftermarket Symposium**

**November 1, 2011**

# 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 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, competition, product demand, the market for auto parts, the economy in general, inflation, consumer debt levels, governmental approvals, the Company’s increased debt levels, credit ratings on the Company’s public debt, the Company’s ability to hire and retain qualified employees, risks associated with the performance of acquired businesses such as 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, 2010, for additional factors that could materially affect the Company’s financial performance.

# Company History

## Founded in 1957

- by the O'Reilly family with 13 original team members



## Initial public offering

- in 1993 – listed on the NASDAQ as ORLY

## Track record of consistent performance

- 18 consecutive years of record revenue, operating income, EBITDA and comparable store sales growth



# Company Overview

## Store Count

- 3,707 stores in 39 states as of September 30, 2011

## Distribution Centers

- 23 Distribution Centers

## Team Members

- Over 49,000

## Last-Twelve-Months Sales

- \$5.7 billion as of September 30, 2011

## Do-It-Yourself versus Do-It-For-Me Split

- 59% and 41% as of September 30, 2011
- 65% and 35% as of December 31, 2009
- 52% and 48% as of June 30, 2008 (prior to CSK acquisition)

## Total Assets

- \$5.4 billion as of September 30, 2011

## Market Capitalization

- \$9.8 billion at October 27, 2011

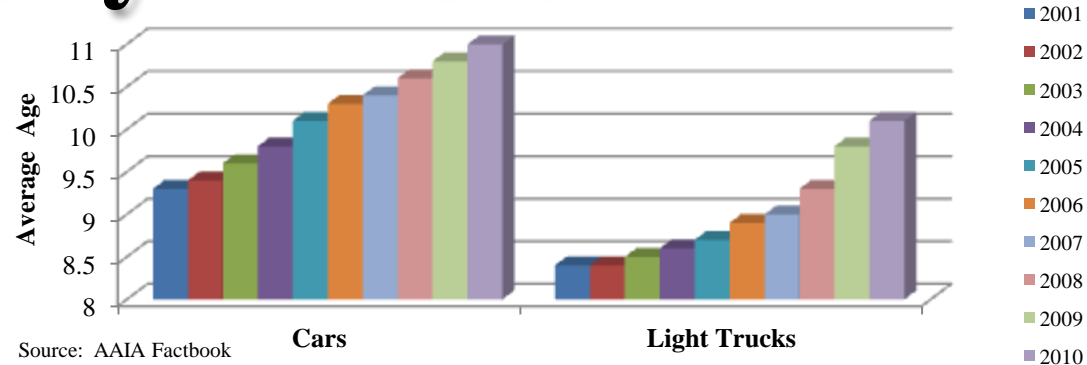


# Industry Drivers

## Continued Aging of U.S. Vehicle Population:

Falling new car sales – 2005 @ 17.5 million and 2010 @ 11.5 million

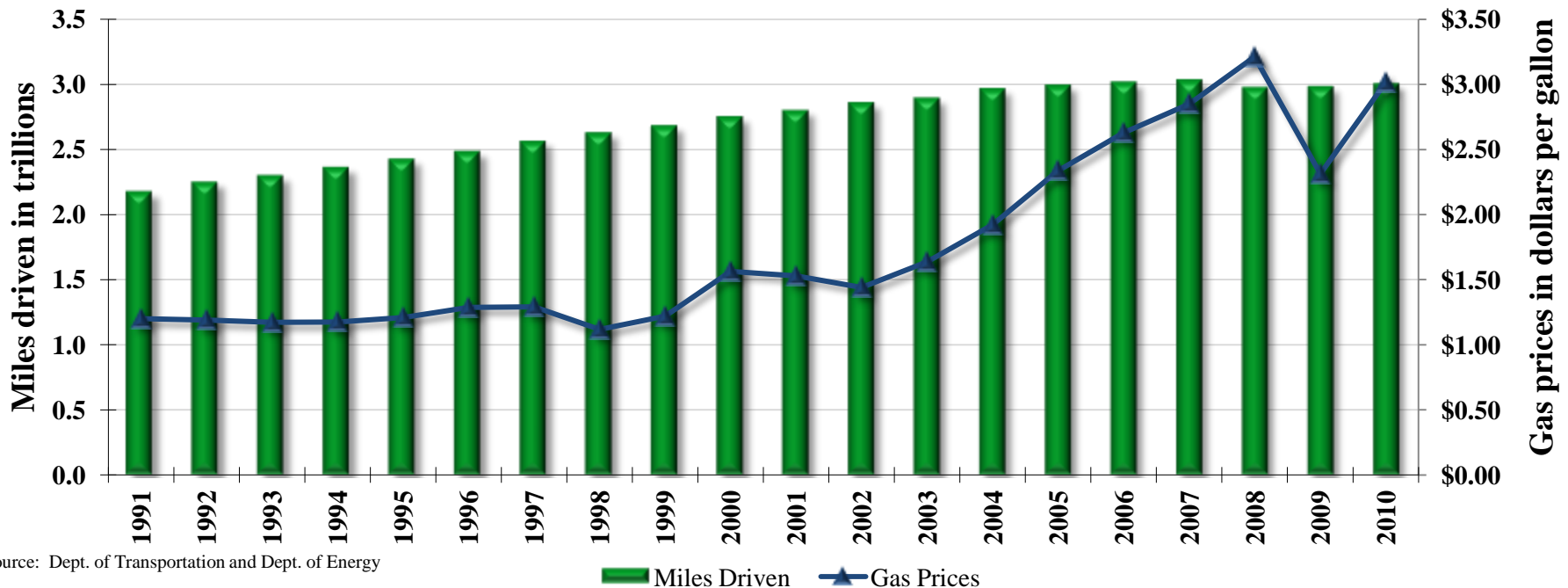
Better engineered vehicles and the economically constrained consumer has led to a continued aging of the vehicle fleet.



**38% increase in miles driven from 1991 to 2010**

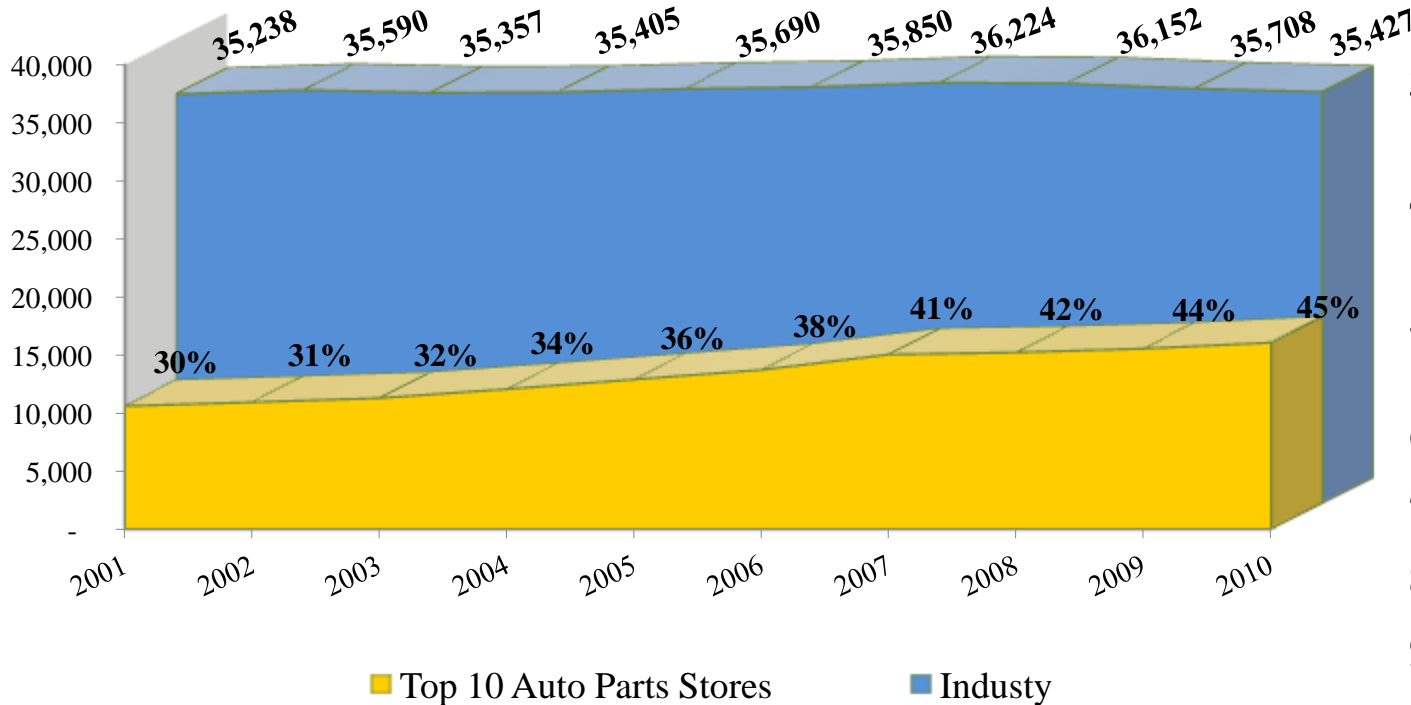
**\$3.42 - average gas price as of October 24, 2011**

**1.3% YTD decrease in miles driven as of August 31, 2011 – (26.0) billion miles**



# Industry Landscape

## Fragmented Market:



Source: AAIA Factbook or latest SEC filing

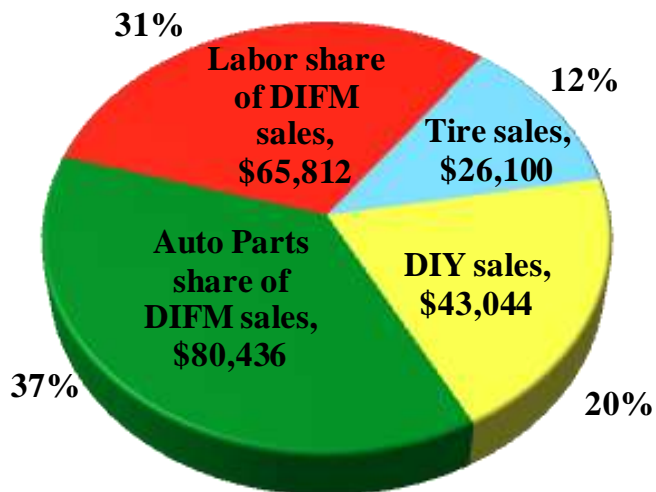
### Top Ten Auto Parts Chains

1. AutoZone Inc. (4,813)
2. O'Reilly Auto Parts (3,707)
3. Advance Auto Parts (3,627)
4. General Parts Inc./ CARQUEST (1,500)\*
5. Genuine Parts/ NAPA (1,035)\*
6. Pep Boys (725)
7. Fisher Auto Parts (406)
8. Uni-Select (300)
9. Replacement Parts Inc. (155)
10. Auto-Wares Group (128)

\* Company owned stores

Source: AAIA Factbook or latest SEC filing

# Industry Opportunities



Source: AAIA Factbook

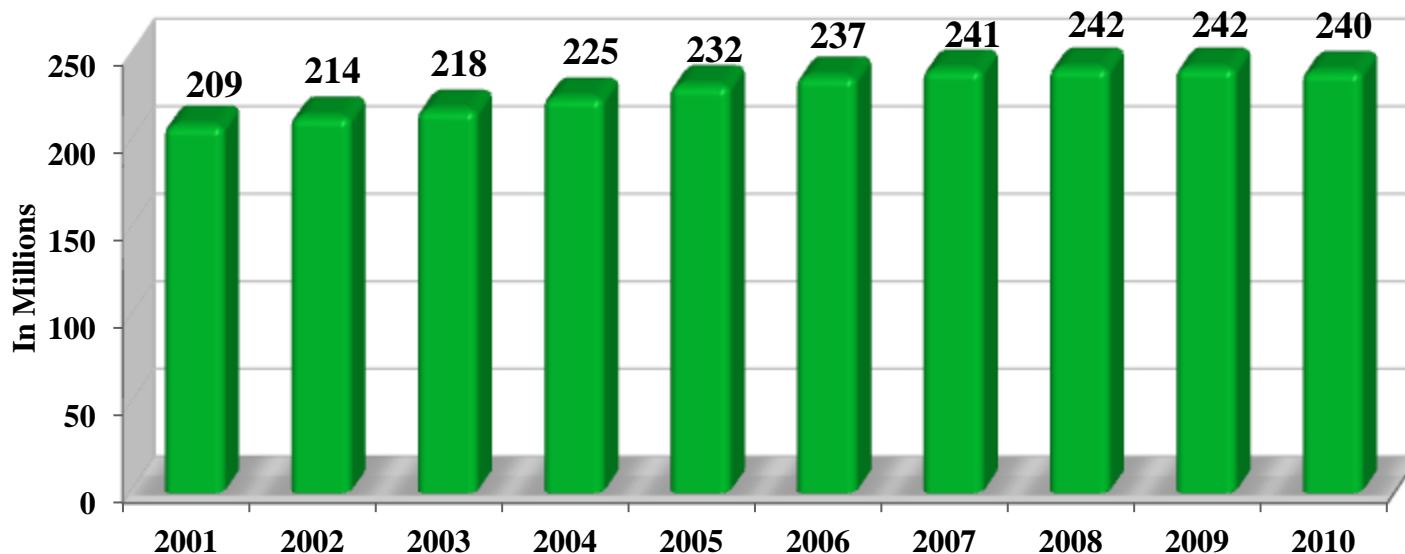
## Size of Automotive Aftermarket

**Total Market:**  
**\$215 Billion**

**O'Reilly Addressable Market:**  
**\$123 Billion**

## Total U.S. Light Vehicle Registrations

15% increase in Total Light Vehicle Registrations from 2001 to 2010



Source: AAIA Factbook



# 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 store locations and extensive distribution infrastructure



Allows us to profitably operate in large and small markets



Enhances service levels offered to our DIY customers



Sales force comprised of over 500 dedicated outside sales people





# Strategic Distribution Systems



Distribute to stores daily from 23 regional distribution centers



Multiple deliveries per day to stores in metro-DC area



State-of-the-art facilities and systems



Stock an average of 118,000 SKUs



184 master inventory “Hub” stores



# CSK Systems Conversions



# CSK Conversion Process – To Be Accomplished



Finish resetting West Coast stores to O'Reilly retail format



Complete store décor and graphic package installations



Complete exterior sign changes



Continue to improve Team Member parts knowledge



Refine product mix based on markets



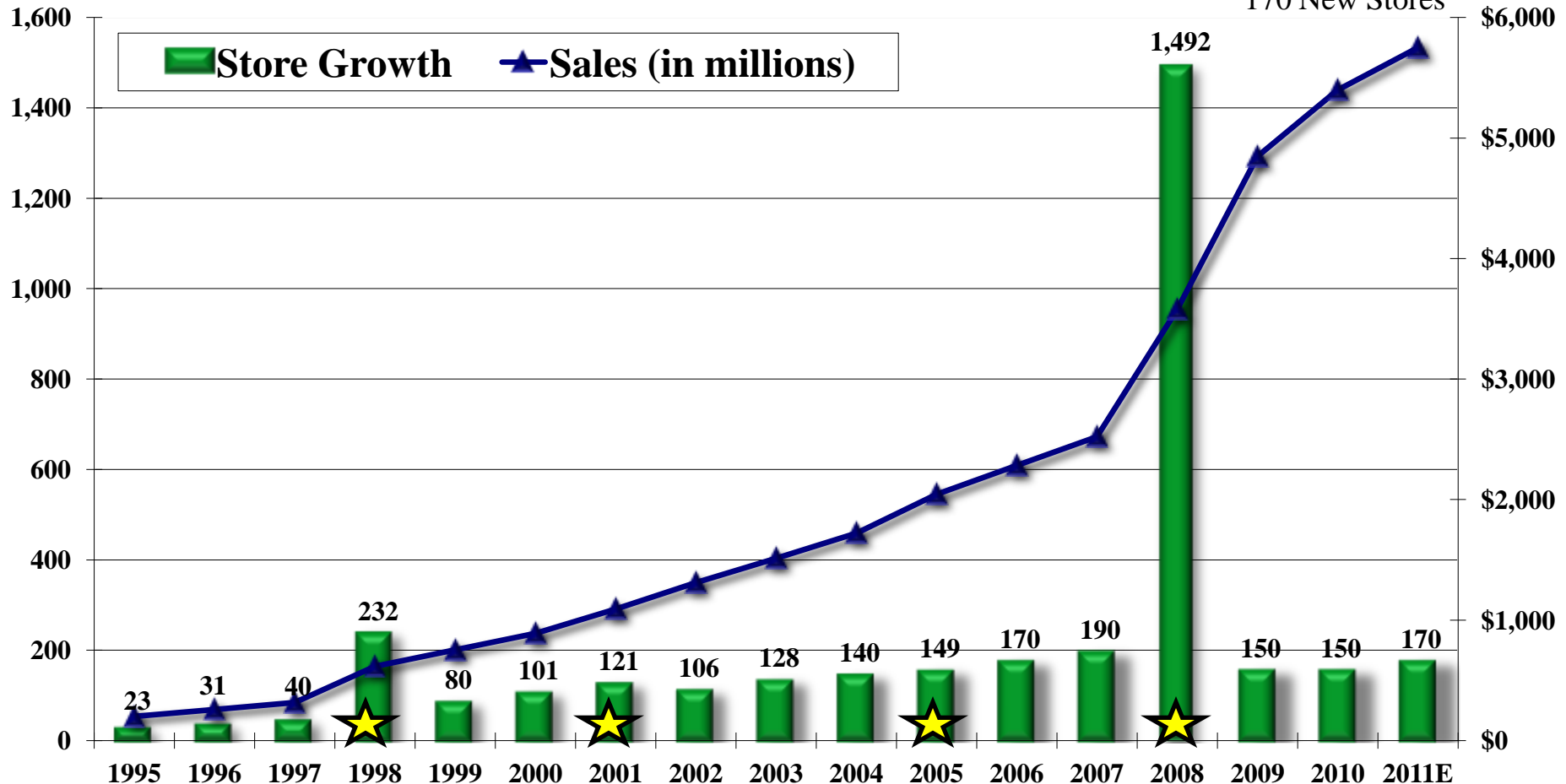
# Store & Revenue Growth

2011 Guidance

Full Year:

\$5.75 to \$5.85 Billion in Sales

170 New Stores



★ **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

# Comparable Store Sales

## 2011 Guidance

### 4th Quarter:

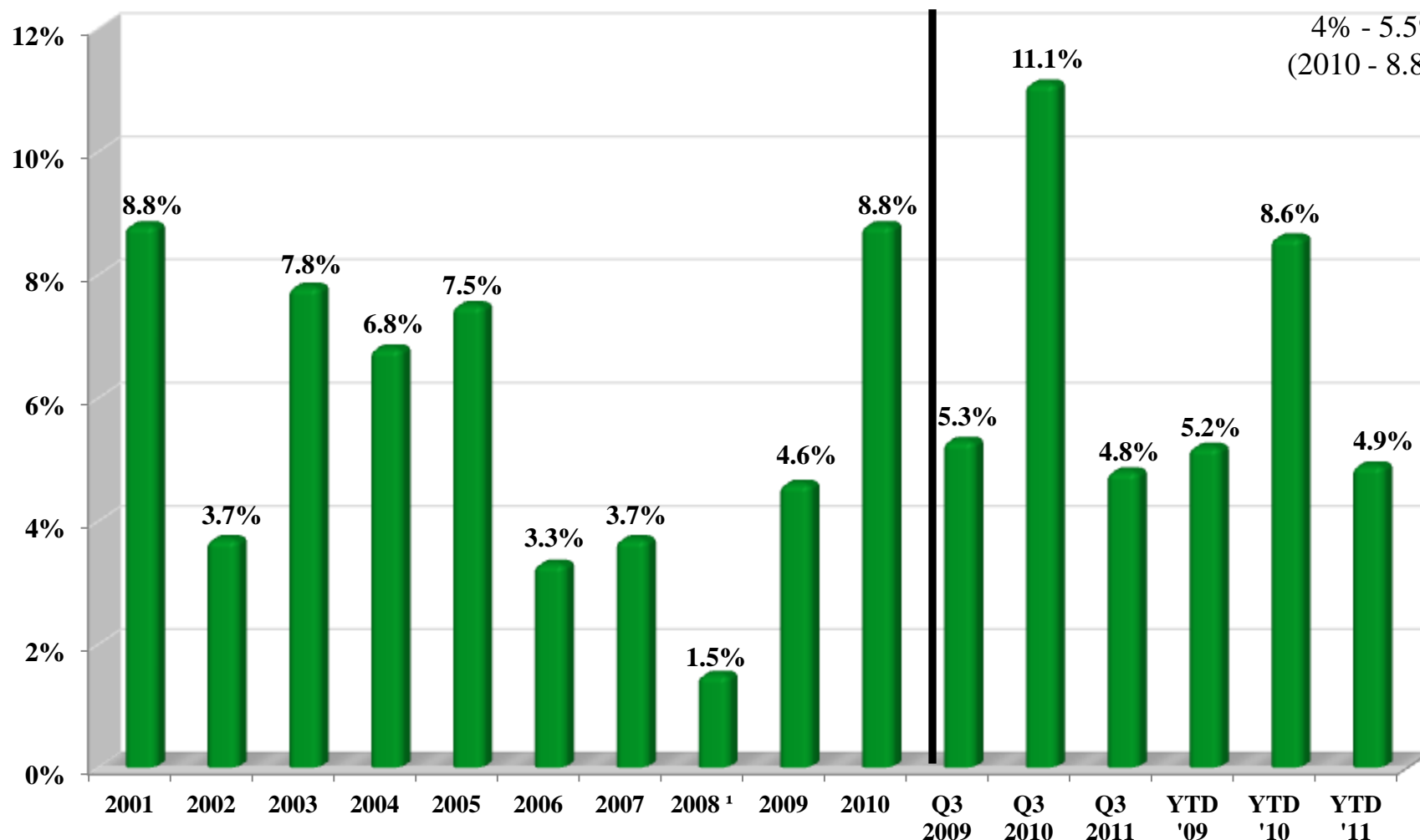
3% - 5%

(4Q 2010 – 9.2%)

### Full Year:

4% - 5.5%

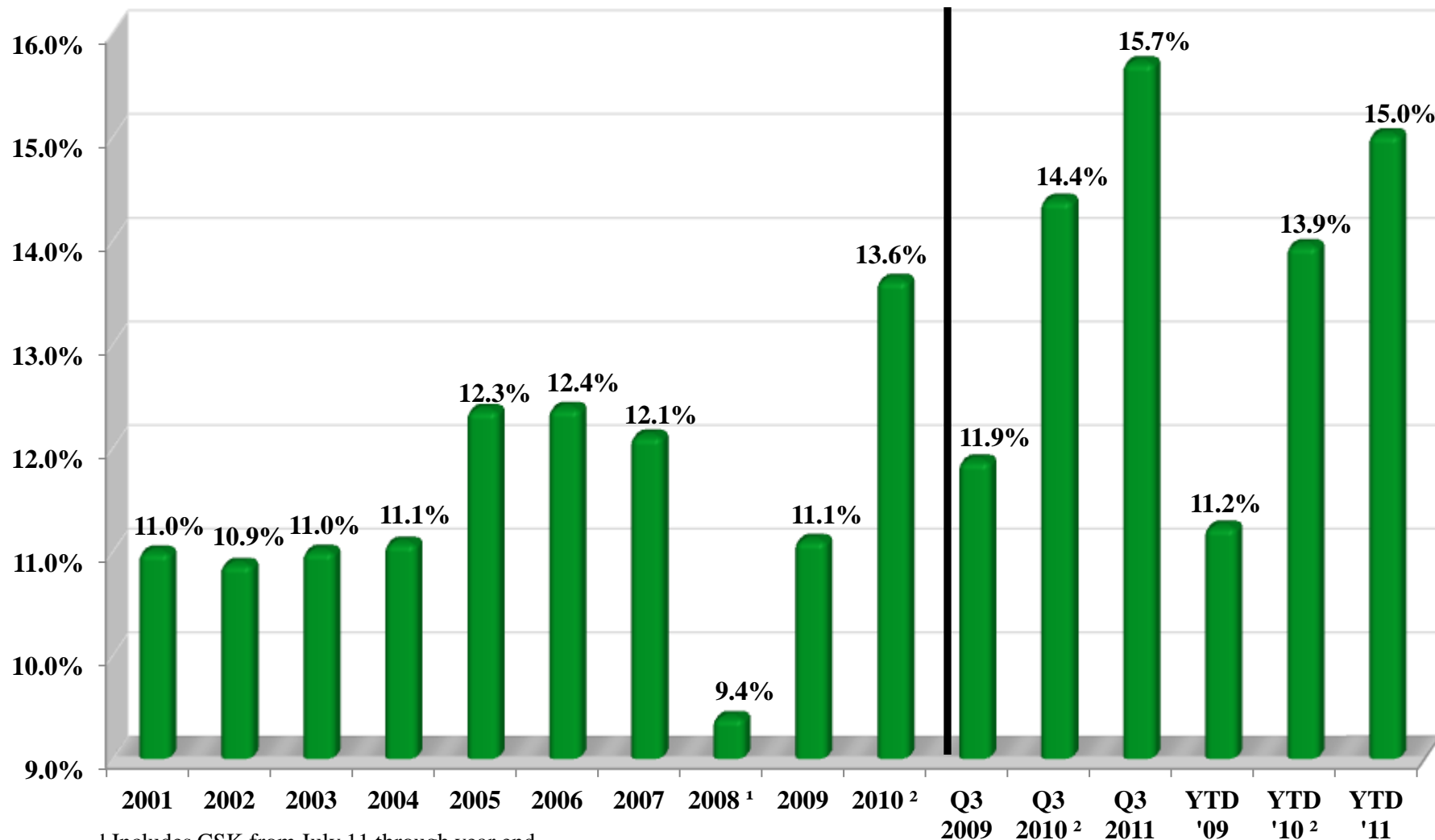
(2010 - 8.8%)



<sup>1</sup> Includes CSK from July 11 through year end

# Adjusted Operating Margin

2011 Guidance  
Full Year:  
14.4% to 14.6%



<sup>1</sup> Includes CSK from July 11 through year end

<sup>2</sup> Excludes the impact of CSK DOJ investigation charges



# Adjusted EPS Growth

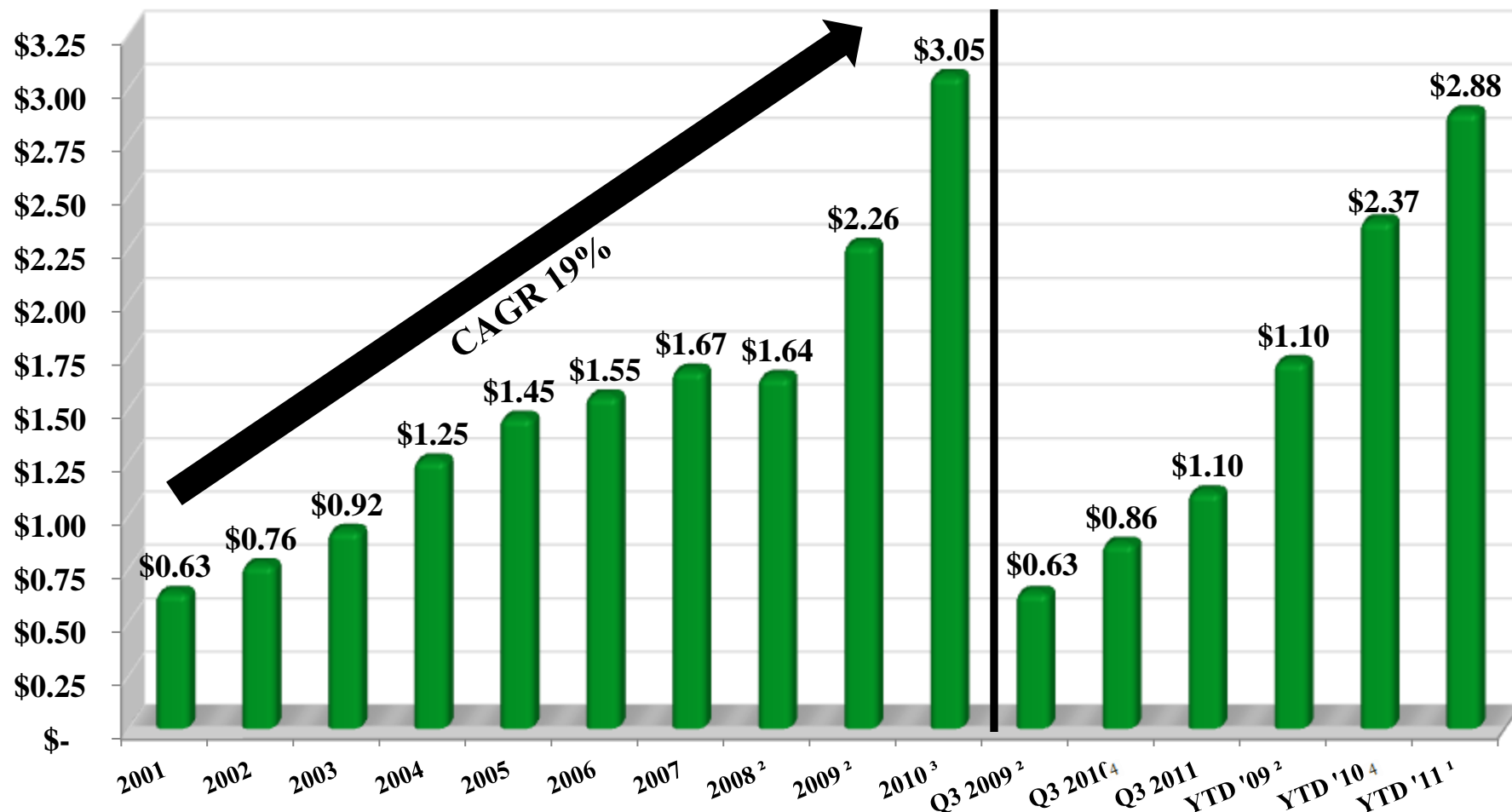
**2011 Guidance**

**4th Quarter:**

\$0.80 - \$0.84

**Full Year:**

Adjusted \$3.68 - \$3.72 <sup>1</sup>



<sup>1</sup> Adjusted diluted earnings per share, excluding the impact of debt issuance and interest rate swap write off charges

<sup>2</sup> Adjusted diluted earnings per share, excluding the impact of CSK acquisition related charges

<sup>3</sup> Adjusted diluted earnings per share, excluding the impact of CSK DOJ investigation charges, and CSK notes receivable recovery

<sup>4</sup> Adjusted diluted earnings per share, excluding the impact of CSK DOJ investigation charges

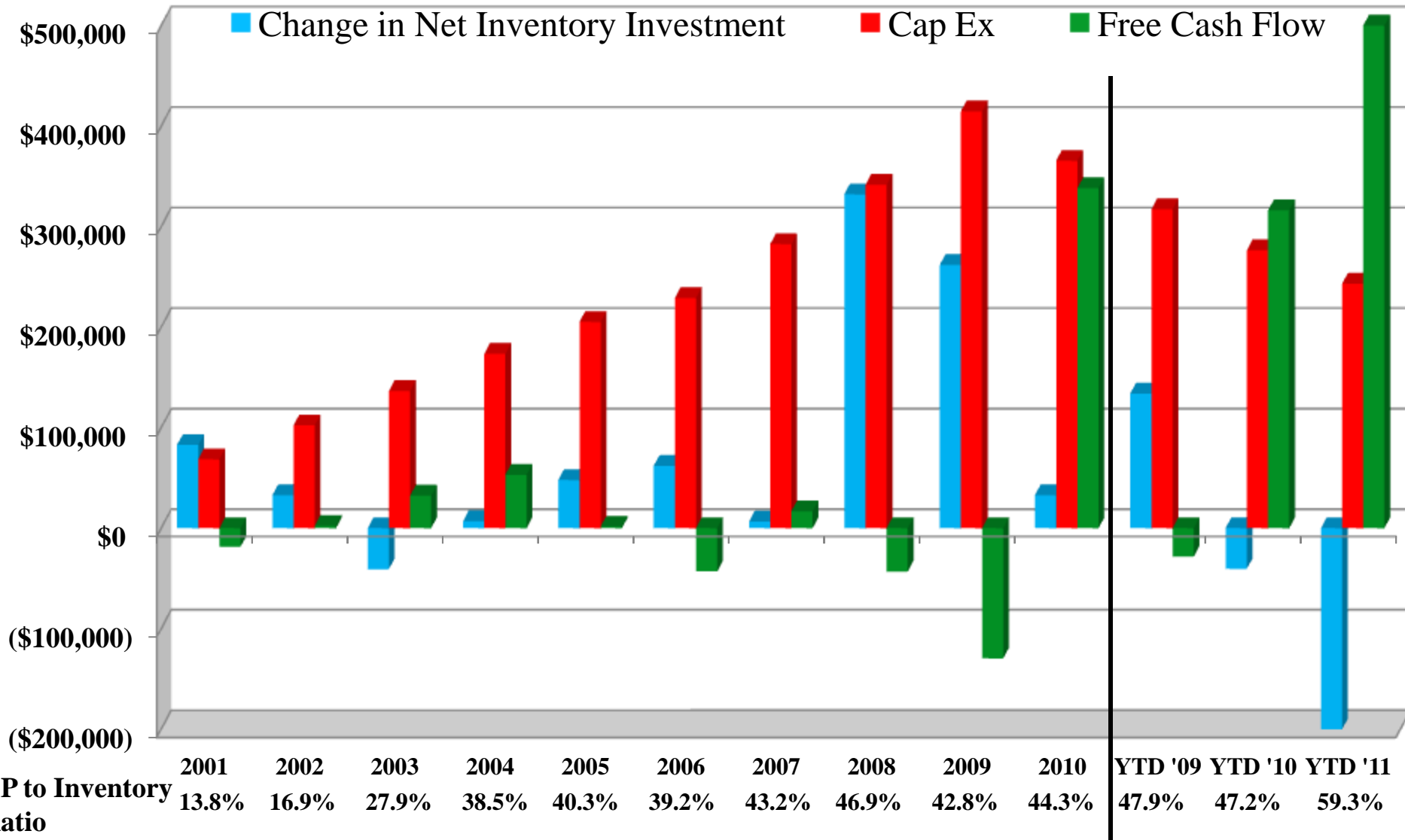
# Free Cash

2011 Guidance (in millions):

Full Year:

Cap Ex: \$290 - \$320

Free Cash Flow: \$575 - \$610





**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!"**

