

Second Quarter 2024 Earnings Call Presentation

July 25, 2024

LKQ Keeping you moving

Forward Looking Statements and Non-GAAP Financial Measures

Statements and information in this presentation that are not historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are made pursuant to the “safe harbor” provisions of such Act.

Forward-looking statements include, but are not limited to, statements regarding our outlook, guidance, expectations, beliefs, hopes, intentions and strategies. These statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different. All forward-looking statements are based on information available to us at the time the statements are made. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

You should not place undue reliance on our forward-looking statements. Actual events or results may differ materially from those expressed or implied in the forward-looking statements. The risks, uncertainties, assumptions and other factors that could cause actual events or results to differ from the events or results predicted or implied by our forward-looking statements include factors discussed in our filings with the SEC, including those disclosed under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2023 and in our subsequent Quarterly Reports on Form 10-Q. These reports are available at the Investor Relations section on our website (www.lkqcorp.com) and on the SEC’s website (www.sec.gov).

This presentation contains non-GAAP financial measures. Included with this presentation is a reconciliation of each non-GAAP financial measure with the most directly comparable financial measure calculated in accordance with GAAP.

Q2 2024 Highlights

- Organic revenue for parts and services declined 2.1%
 - Wholesale - North America: decrease of 5.3% reflecting repairable claims drop
 - Europe: growth of 0.3% on a reported basis
- Segment EBITDA⁽¹⁾ of \$484 million; Segment EBITDA⁽¹⁾ margin of 13.0%
 - Segment EBITDA⁽¹⁾ margin of 17.3% for Wholesale - North America and 10.6% for Europe
- Net income⁽²⁾ of \$185 million and Diluted EPS⁽²⁾ of \$0.70
- Adjusted Net Income⁽²⁾⁽³⁾ of \$261 million and Adjusted Diluted EPS⁽²⁾⁽³⁾ of \$0.98
- Operating cash flow of \$213 million; free cash flow⁽⁴⁾ of \$133 million
- Returned over \$200 million to our stockholders, including \$125 million to repurchase 2.9 million shares of common stock and \$80 million for quarterly dividend
- Approved a \$0.30 per share dividend to be paid in August 2024
- Divested our Slovenia operations and signed sale agreements to divest our Bosnia and Poland operations
- A new collective bargaining agreement was reached with the trade union Verdi in Germany (through April 2026)
- Justin Jude succeeded Nick Zarcone as CEO

(1) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 2 for the breakout of Segment EBITDA for each segment and Appendix 3 for total Segment EBITDA reconciliation

(2) References to Net Income and Diluted EPS and the corresponding adjusted figures reflect amounts attributable to LKQ stockholders

(3) Adjusted Net Income and Adjusted Diluted EPS are non-GAAP measures. Refer to Appendix 4 for Adjusted Net Income and Adjusted Diluted EPS reconciliations

(4) Free Cash Flow is a non-GAAP measure. Refer to Appendix 6 for Free Cash Flow reconciliation

CEO Priorities - Justin Jude

Attentive Focus on Operational Excellence

- Drive profitable revenue growth
- Improve operating margins
- Deliver strong cash flow
- Continued portfolio evaluation

Consistent Approach to Capital Allocation

- Focus on total shareholder return
 - Quarterly dividends
 - Share repurchases
- Disciplined approach to acquisitions
 - Highly accretive
 - Small-scale
 - Critical capabilities
- Steady commitment to investment grade status

Outlook 2024⁽¹⁾

(effective only on the date issued: July 25, 2024)

	Full Year 2024 Previous Outlook ⁽⁵⁾	2024 Full Year Outlook Updated Outlook
Organic parts and services revenue growth	2.5% to 4.5%	(1.25%) to 0.25%
Diluted EPS ⁽²⁾	\$3.32 to \$3.62	\$2.71 to \$2.91
Adjusted Diluted EPS ⁽²⁾⁽³⁾	\$3.90 to \$4.20	\$3.50 to \$3.70
Operating cash flow	\$1.35 billion	\$1.20 billion
Free cash flow ⁽⁴⁾	\$1.0 billion	\$0.85 billion
Free cash flow conversion of Adjusted EBITDA ⁽⁴⁾	50% to 60%	50% to 60%

(1) Our outlook for the full year 2024 is based on current conditions, recent trends and our expectations, and assumes a global effective tax rate of 26.8%, the prices of scrap and precious metals hold near the June average and no further deterioration due to the Ukraine/Russia conflict. We have applied foreign currency exchange rates near second quarter average levels, including \$1.09, \$1.27 and \$0.73 for the euro, pound sterling and Canadian dollar, respectively, for the balance of the year. Changes in these conditions may impact our ability to achieve the estimates. Adjusted figures exclude (to the extent applicable) the impact of restructuring and transaction related expenses; amortization expense related to acquired intangibles; excess tax benefits and deficiencies from stock-based payments; losses on debt extinguishment; impairment charges; direct impacts of the Ukraine/Russia conflict; and gains and losses related to acquisitions or divestitures (including changes in the fair value of contingent consideration liabilities)

(2) Actuals and outlook figures are for continuing operations attributable to LKQ stockholders

(3) Adjusted net income and Adjusted Diluted EPS are non-GAAP measures. Refer to Appendix 5 for reconciliation of forecasted adjusted Net income and forecasted Adjusted Diluted EPS attributable to LKQ stockholders

(4) Free Cash Flow and Adjusted EBITDA are non-GAAP measures. Refer to Appendix 5 for forecasted Free Cash Flow reconciliation

(5) Previous guidance was issued on April 23, 2024

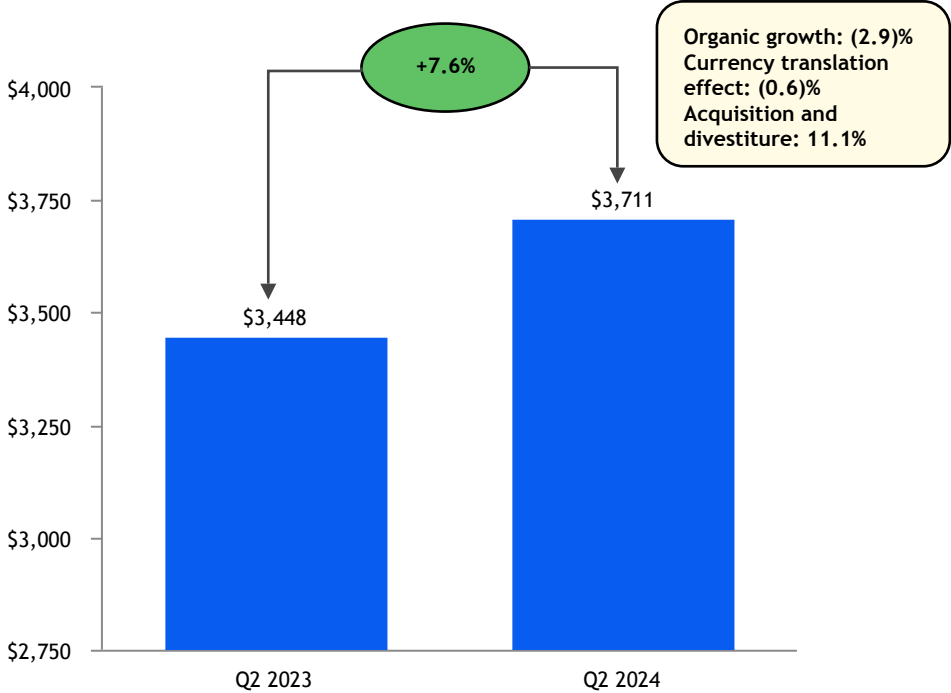
2024 Adjusted EPS Guidance Walk ⁽¹⁾



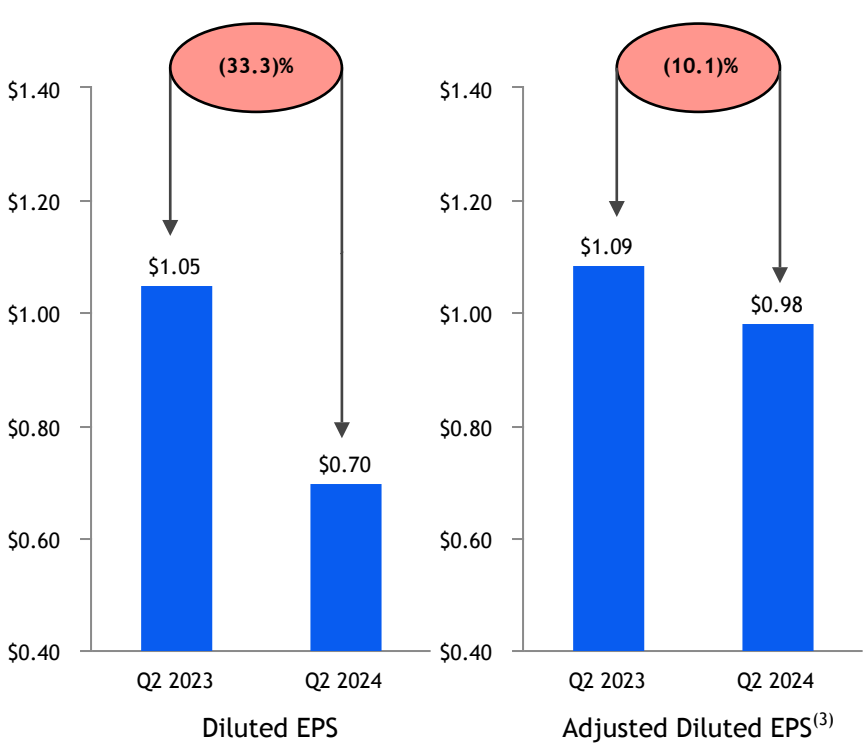
(1) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 5 for reconciliation of forecasted Adjusted Diluted EPS
 (2) Includes the net impact of depreciation, investments, interest and taxes
 (3) The amounts represent the midpoint of our guidance range

Consolidated Results Q2 2024

Revenue⁽¹⁾



EPS⁽²⁾



(1) Revenue in millions
 (2) Earnings per share figures refer to net income attributable to LKQ stockholders
 (3) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 4 for Adjusted Diluted EPS reconciliation



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Financial Results Q2 2024

Q2 2024 Revenue

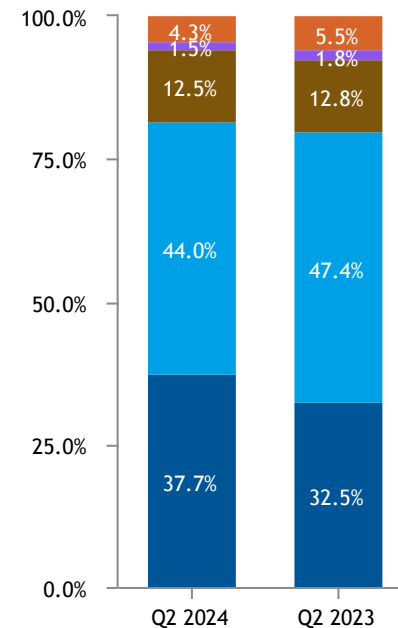
Revenue Changes by Source:

	Organic	Acquisition and Divestiture	Foreign Exchange	Total ⁽¹⁾
Wholesale - North America	(5.3)%	30.2%	(0.1)%	24.8%
Europe	0.3%	0.8%	(1.1)%	—%
Specialty	(2.1)%	7.4%	(0.2)%	5.2%
Self Service	(11.1)%	—%	—%	(11.1)%
Parts and Services	(2.1)%	11.8%	(0.6)%	9.0%
Other	(16.3)%	0.2%	(0.1)%	(16.2)%
Total Revenue	(2.9)%	11.1%	(0.6)%	7.6%

- Wholesale - North America organic revenue for parts and services decreased 5.3%; primarily driven by decreased aftermarket collision volumes which were negatively impacted by lower repairable claims, which we believe are primarily attributable to difficult economic conditions, comparatively warmer weather in the first quarter of 2024 which reduced backlog at body shops going into the second quarter of 2024 and, to a lesser extent, inventory availability issues due to delays in inbound deliveries
- Wholesale - North America acquisition and divestiture revenue was a net increase of \$338 million primarily due to the acquisition of Uni-Select in the third quarter of 2023
- Europe organic revenue for parts and services increased 0.3% (1.3% decrease on a per day basis); primarily driven by an increased number of selling days in the current quarter compared to the prior year period, partially offset by decreased volumes as a result of difficult economic conditions, and strike activity and heightened competition in certain markets
- Unfavorable F/X impact on European parts and services revenue of \$18 million; European constant currency⁽²⁾ parts and services revenue increased 1.1%
- Specialty organic revenue for parts and services decreased 2.1%; primarily due to demand softness in the recreational vehicle ("RV") product line, as RV unit retail sales have declined year over year
- Self Service organic revenue for parts and services decreased 11.1% (12.1% on a per day basis); primarily driven by lower parts volumes
- Other organic revenue decreased 16.3% primarily driven by lower commodities prices and volumes

(1) The sum of the individual revenue change components may not equal the total percentage due to rounding
 (2) Constant currency is a non-GAAP financial measure. Refer to Appendix 1 for constant currency reconciliation

Components of Revenue



- WS - NA P&S
- Europe P&S
- Specialty P&S
- Self Service P&S
- Other Revenue

Operating Results - Q2

(\$ in millions, except per share data)	Second Quarter		
	2024	2023	Change F/(U)
Revenue	\$3,711	\$3,448	7.6%
Gross Margin	1,441	1,414	1.9%
Operating Expenses	976	938	(4.1)%
Operating Income	329	407	(19.2)%
Income before provision for income taxes	266	389	(31.6)%
Net income attributable to LKQ stockholders	185	281	(34.2)%
Segment EBITDA ⁽¹⁾	484	485	(0.2)%
Segment EBITDA ⁽¹⁾ Margin	13.0%	14.1%	(110) bps
Diluted EPS attributable to LKQ stockholders:			
Reported	\$0.70	\$1.05	(33.3)%
Adjusted ⁽²⁾	\$0.98	\$1.09	(10.1)%

- Effective income tax rate for the three months ended June 30, 2024 was 30.9%, compared to 28.0% for the three months ended June 30, 2023
- 2023 figures include a \$23 million gain on foreign exchange contracts related to the CAD purchase price for the Uni-Select acquisition; gain is excluded from Segment EBITDA⁽¹⁾ and Adjusted Diluted EPS⁽²⁾ (\$0.06 per share)

(1) Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for Segment EBITDA reconciliation

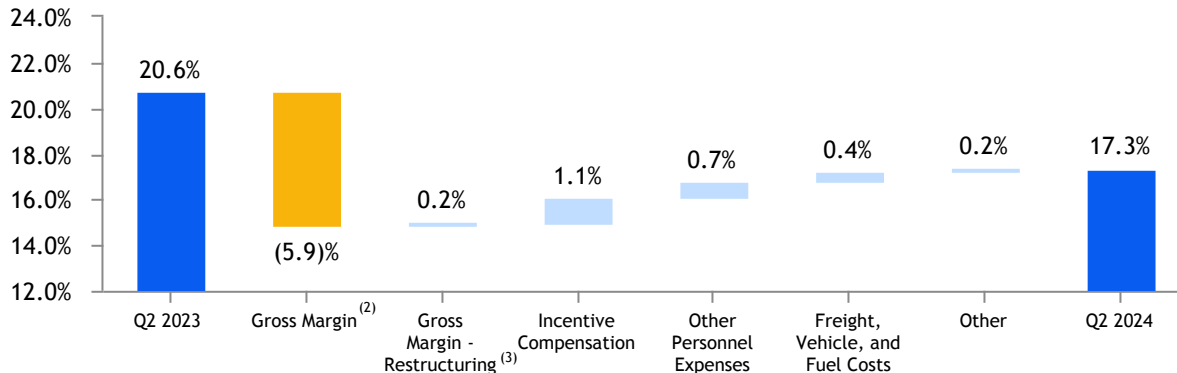
(2) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 4 for Adjusted Diluted EPS reconciliation

Wholesale - North America - Q2

(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue	\$1,474	\$1,199	22.9%		
Gross Margin	\$648	\$598	8.5%	43.9%	49.8%
Operating Expenses	\$397	\$352	(12.9)%	27.0%	29.3%
Segment EBITDA ⁽¹⁾	\$256	\$248	3.1%	17.3%	20.6%

(1) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.

Wholesale - North America Segment EBITDA Margin Bridge

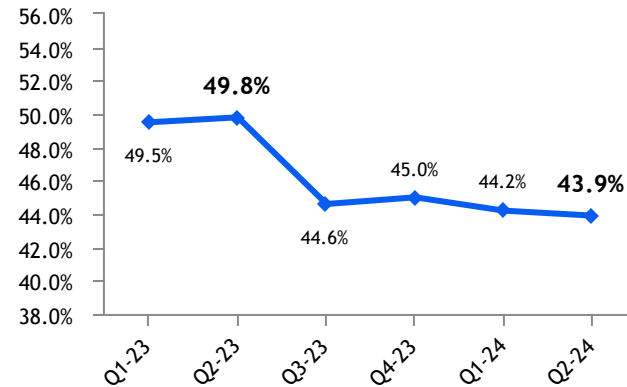


(2) Includes the dilutive effect of the Q3 2023 Uni-Select acquisition

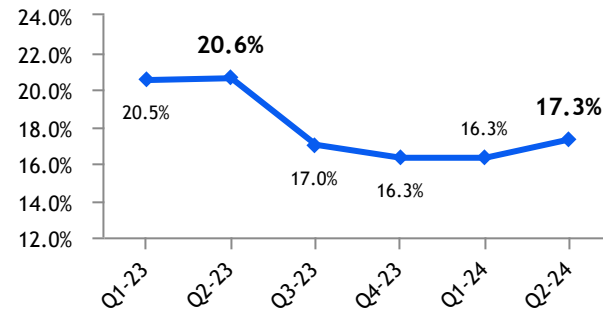
(3) Reported gross margin includes a 0.2% reduction primarily related to restructuring expenses incurred as part of the 2024 Global Restructuring Plan. These costs are excluded from the calculation of Segment EBITDA

Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding

Gross Margin⁽²⁾



Segment EBITDA Margin⁽²⁾

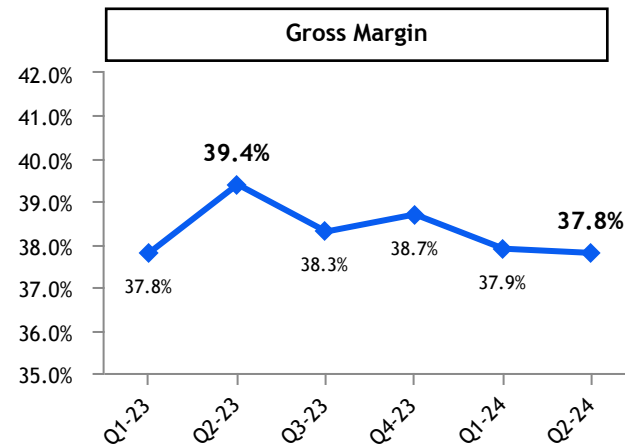


Europe - Q2

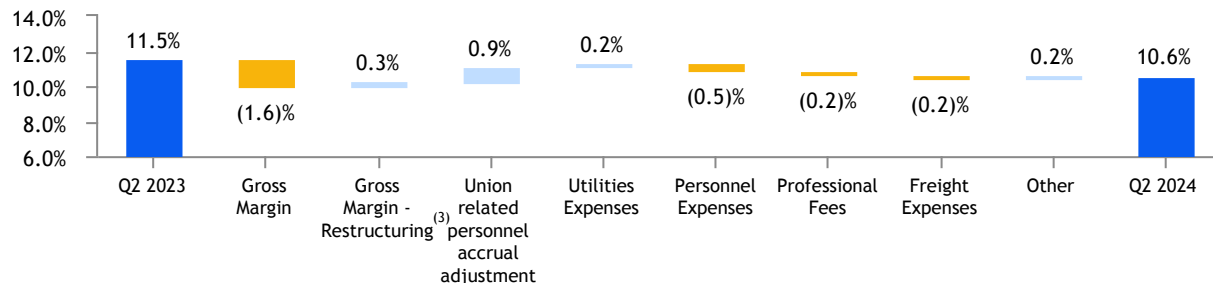
(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue ⁽¹⁾	\$1,639	\$1,638	—%		
Gross Margin	\$619	\$645	(4.1)%	37.8%	39.4%
Operating Expenses	\$456	\$460	1.1%	27.8%	28.1%
Segment EBITDA ⁽²⁾	\$174	\$188	(7.4)%	10.6%	11.5%

(1) The foreign currency impact on parts and services revenue was a \$18 million unfavorable impact which brings revenue growth at a constant currency to 1.1%. Refer to Appendix 1 for a reported revenue to constant currency revenue reconciliation.

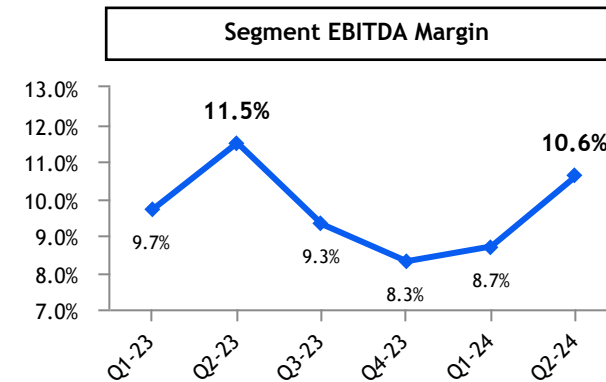
(2) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.



Europe Segment EBITDA Margin Bridge



(3) Reported gross margin includes a 0.3% reduction primarily related to restructuring expenses incurred as part of the 2024 Global Restructuring Plan. These costs are excluded from the calculation of Segment EBITDA



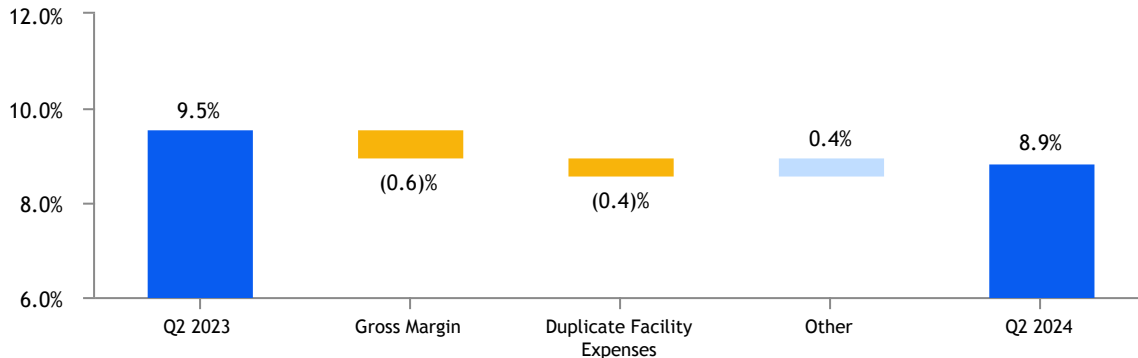
Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding

Specialty - Q2

(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue	\$466	\$443	5.1%		
Gross Margin	\$118	\$115	2.7%	25.4%	26.0%
Operating Expenses	\$79	\$76	(4.8)%	17.0%	17.1%
Segment EBITDA ⁽¹⁾	\$41	\$42	(2.2)%	8.9%	9.5%

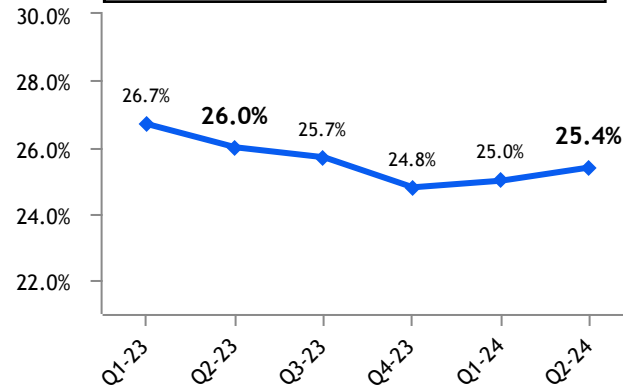
(1) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.

Specialty Segment EBITDA Margin Bridge

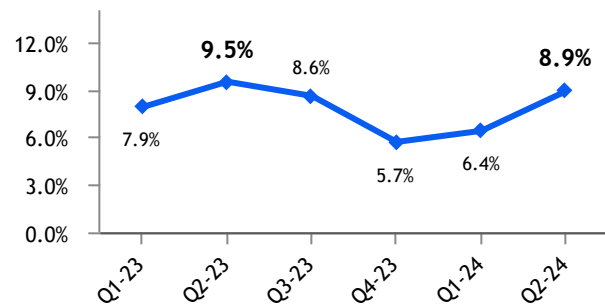


Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding

Gross Margin



Segment EBITDA Margin



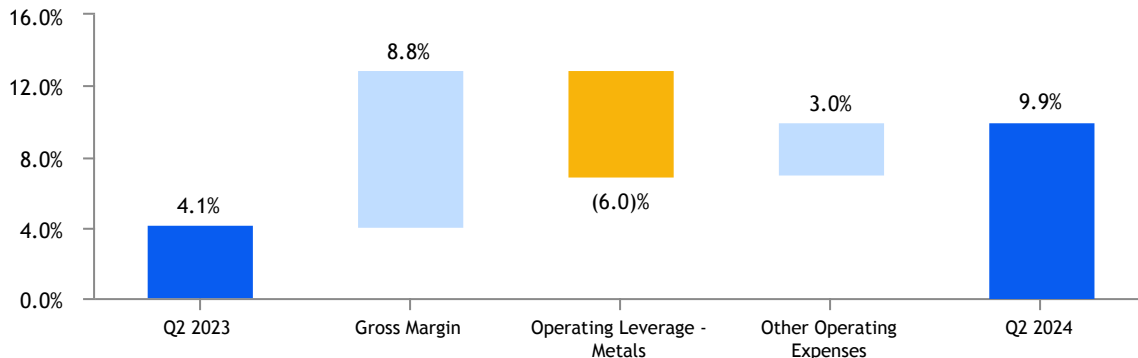
Self Service - Q2

(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue ⁽¹⁾	\$133	\$169	(20.9)%		
Gross Margin	\$56	\$56	—%	42.3%	33.5%
Operating Expenses	\$44	\$50	12.9%	32.6%	29.6%
Segment EBITDA ⁽²⁾	\$13	\$7	93.1%	9.9%	4.1%

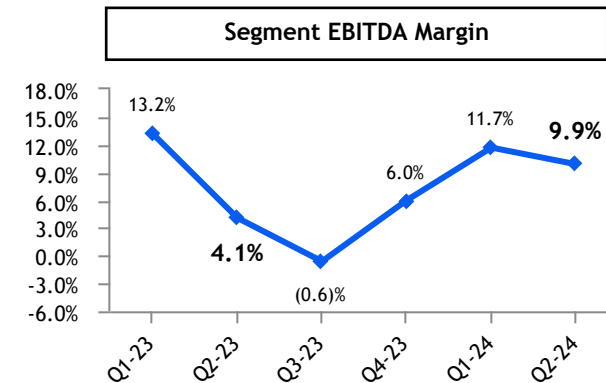
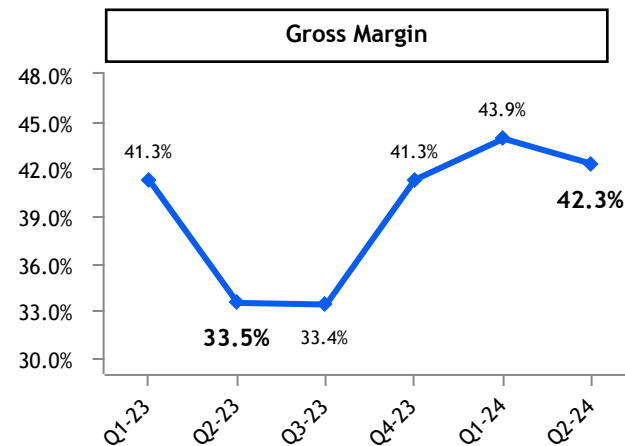
(1) Includes Other Revenue of \$78 million and \$106 million in Q2 2024 and Q2 2023, respectively. Refer to the "Metals Prices & Foreign Exchange" slide for further detail on metals price trends.

(2) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.

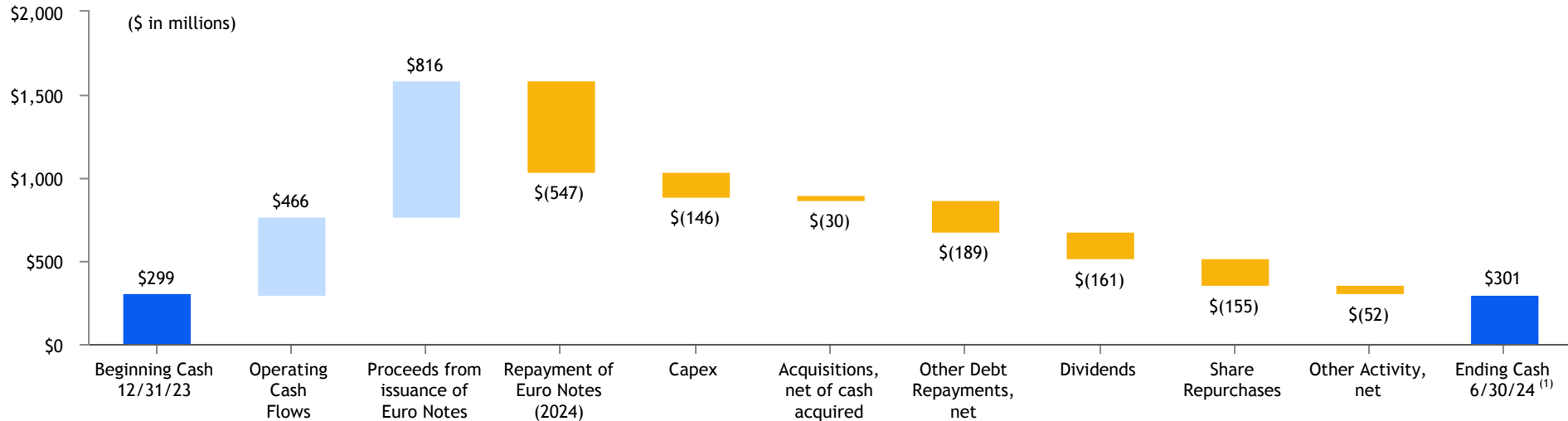
Self Service Segment EBITDA Margin Bridge



Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding



YTD 2024 Capital Allocation



Operating cash flows:

- Operating cash flows of \$466 million represent a 34%, or \$237 million, decrease year over year primarily driven by lower inventory purchasing levels in the prior year

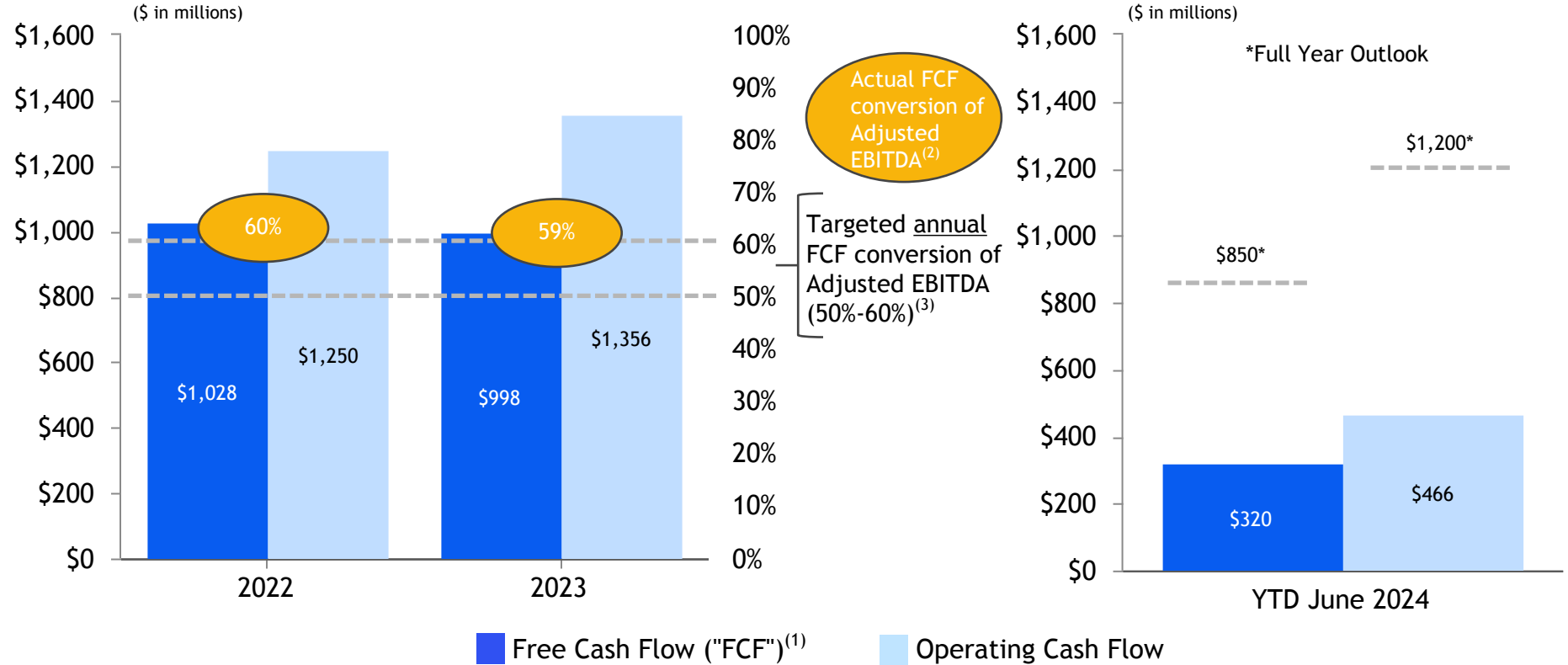
Investing cash flows:

- Capex of \$146 million vs. \$136 million in 2023; up 7%
- \$30 million of cash invested in business acquisitions vs. \$52 million in the prior year

Financing cash flows:

- \$816 million in net proceeds from the issuance of Euro Notes (2031)
- \$547 million repayment of Euro Notes (2024)
- \$161 million for our YTD cash dividend vs. \$148 million in the prior year
- \$155 million to repurchase shares vs. \$8 million in the prior year
- \$189 million of other debt repayments, net vs. \$90 million in the prior year

Operating Cash Flow & Free Cash Flow ⁽¹⁾

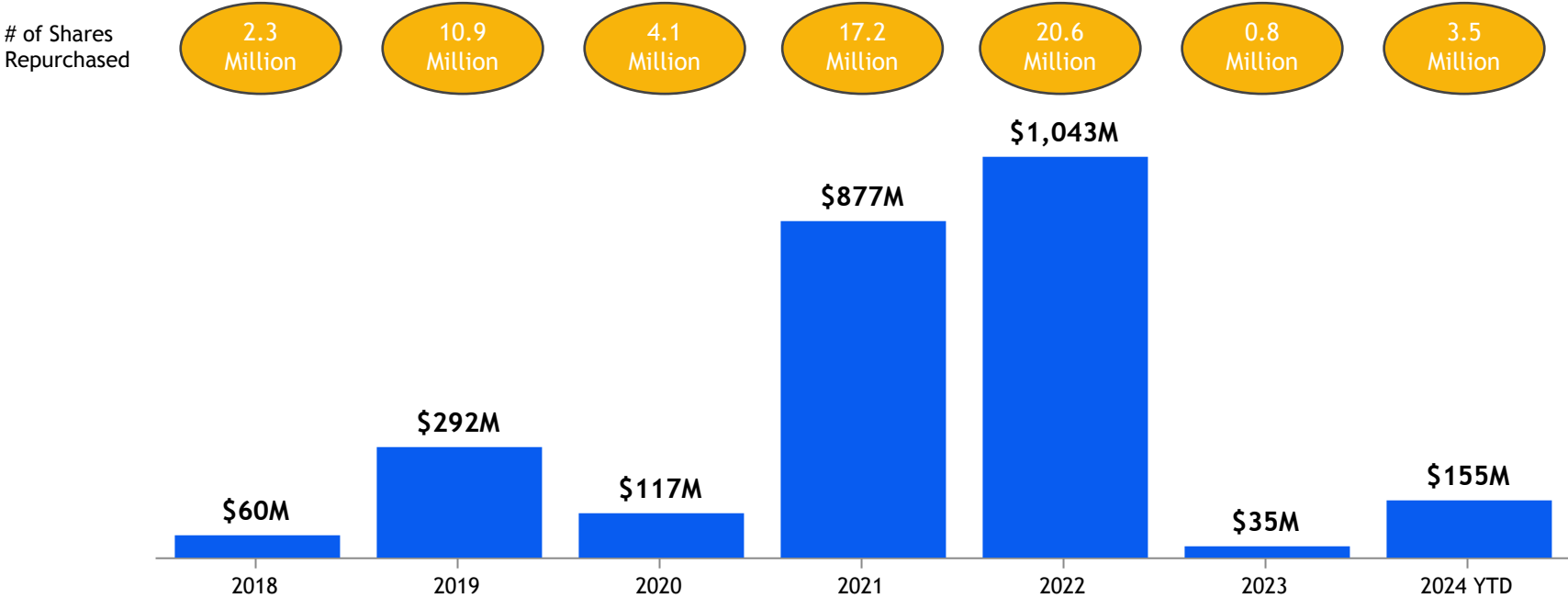


(1) Free Cash Flow is a non-GAAP measure. Refer to Appendix 6 for Free Cash Flow reconciliation

(2) Adjusted EBITDA is a non-GAAP measure. Refer to Appendix 6 for Adjusted EBITDA reconciliation

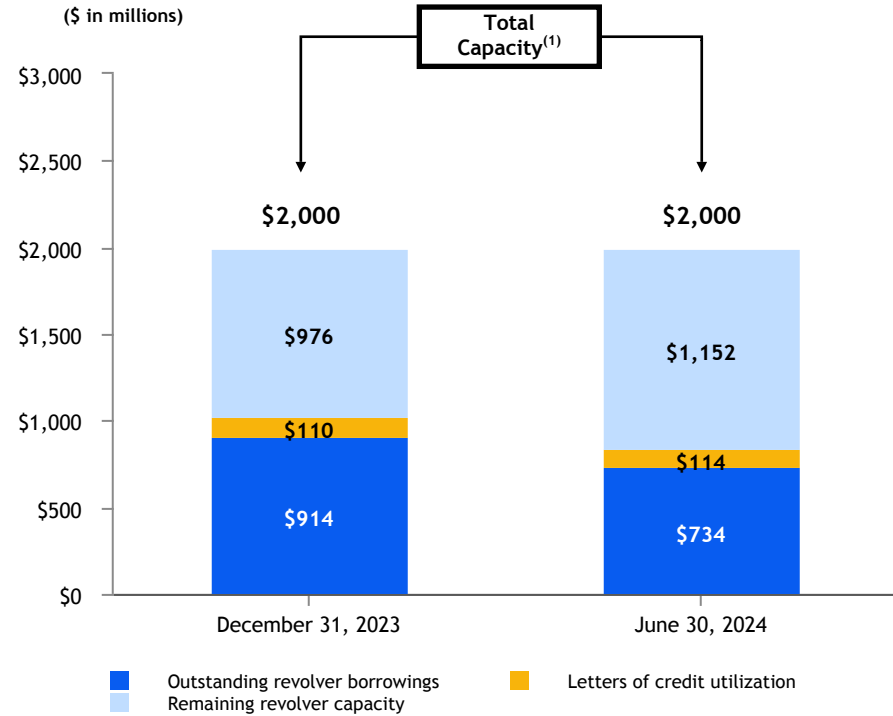
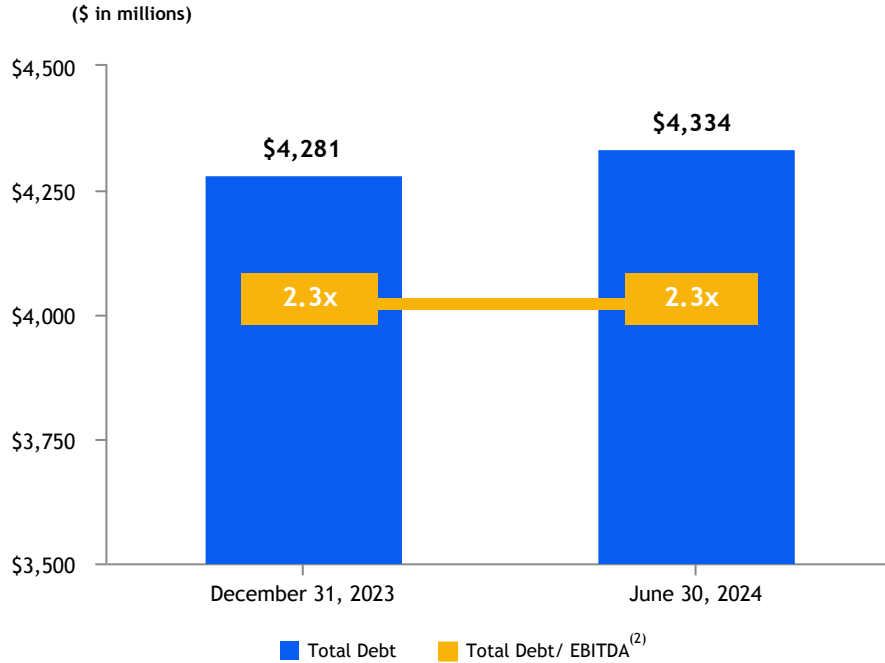
(3) Per guidance issued on "Outlook 2024" slide

Share Repurchase Program



Our Board of Directors has authorized a stock repurchase program under which we are able to purchase up to \$3.5 billion of our common stock from time to time through the scheduled duration of the program on October 25, 2025. Year to date through June 30, 2024, the Company invested \$155 million to repurchase 3.5 million shares; \$921 million of capacity remaining on the \$3.5 billion aggregate share repurchase program through October 2025.

Leverage & Liquidity



Total liquidity as of June 30, 2024 was \$1,428 million
Effective borrowing rate for Q2 2024 was 6.1%⁽³⁾

(1) Total capacity includes our unsecured revolving credit facilities

(2) Total leverage per bank covenants is defined as Consolidated Total Indebtedness/Consolidated EBITDA. Refer to the definitions of Consolidated Total Indebtedness and Consolidated EBITDA in the senior unsecured credit agreement filed January 6, 2023 with the SEC for further details

(3) Including our interest rate swaps, approximately 75% of our borrowings at June 30, 2024 are effectively at fixed interest rates

Liquidity as of June 30, 2024

Credit Rating	<ul style="list-style-type: none"> Rated Baa3 (investment grade) by Moody's; Outlook Neutral Rated BBB- (investment grade) by S&P Global Ratings; Outlook Neutral Rated BBB- (investment grade) by Fitch; Outlook Positive
Debt Structure	<ul style="list-style-type: none"> Fixed Rate Instruments: <ul style="list-style-type: none"> \$1.4 billion in aggregate (\$800 million (5.75%) due in 2028/\$600 million (6.25%) due in 2033) €1.0 billion (\$1.1 billion) in aggregate (\$268 million (4.125%) due in 2028 /\$803 million (4.125%) due in 2031) Variable Rate Instruments: <ul style="list-style-type: none"> Credit Facility Borrowings: \$1.2 billion <ul style="list-style-type: none"> \$734 million of revolver borrowings maturing in January 2028 \$500 million term loan maturing January 2026 CAD Term Loan: Unsecured term loan facility of CAD \$700 million (\$512 million due in 2026) Other Debt (capital leases, local lines of credit): \$117 million
Interest Rates	<ul style="list-style-type: none"> Credit Facility Borrowings: (i) SOFR plus applicable spread or (ii) other risk-free interest rates for specified currency \$400 million notional amount interest rate swap at a fixed weighted average of 4.63% maturing February 2025 \$300 million notional amount interest rate swap at a fixed weighted average of 4.23% maturing February 2026 CAD Term Loan: (i) Canadian Overnight Repo Rate Average or (ii) Canadian Prime Rate; plus applicable spread
Maturities	<ul style="list-style-type: none"> Current maturities: \$44 million; No significant maturities until 2026
Financial Covenants ⁽¹⁾	<ul style="list-style-type: none"> Credit Facility and CAD Term Loan maximum leverage ratio covenant: 4.0x <ul style="list-style-type: none"> Consolidated Total Indebtedness to Consolidated EBITDA as of June 30, 2024: 2.3x Credit Facility and CAD Term Loan minimum interest expense coverage ratio: 3.0x <ul style="list-style-type: none"> Consolidated EBITDA to interest expense as of June 30, 2024: 7.9x U.S. and Euro Notes do not include financial maintenance covenants
Liquidity	<ul style="list-style-type: none"> Cash on balance sheet of \$276 million \$2.0 billion revolving credit facility: \$1,152 million available as of June 30, 2024 Total Available Liquidity: \$1,428 million
Cash Flows	<ul style="list-style-type: none"> YTD 2024 operating cash flow of \$466 million; free cash flow⁽²⁾ of \$320 million



(1) Refer to the definition of Total debt, interest expense and EBITDA in the senior unsecured credit agreement filed January 6, 2023 with the SEC for further details

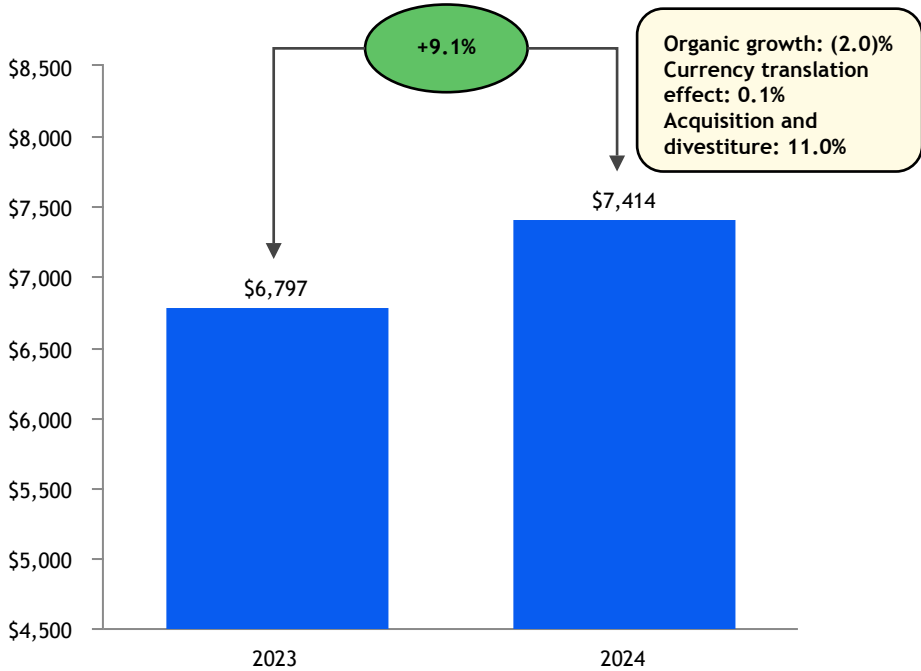
(2) Free Cash Flow is a non-GAAP measure. Refer to Appendix 6 for Free Cash Flow reconciliation



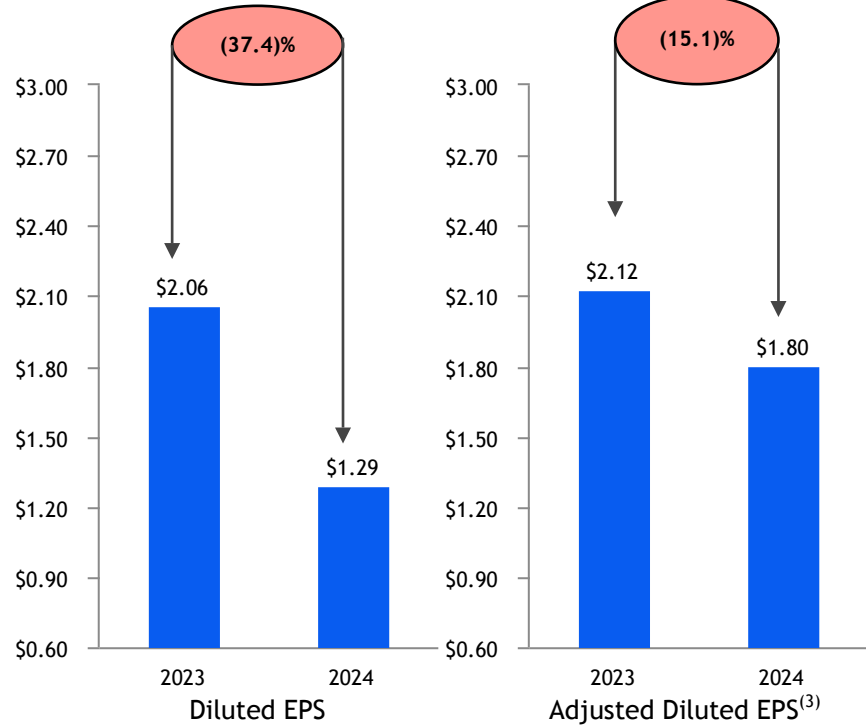
YTD Results and Supplementary Information

Consolidated Results YTD 2024

Revenue⁽¹⁾



EPS⁽²⁾



(1) Revenue in millions
 (2) Earnings per share figures refer to net income attributable to LKQ stockholders
 (3) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 4 for Adjusted Diluted EPS reconciliation



YTD 2024 Revenue

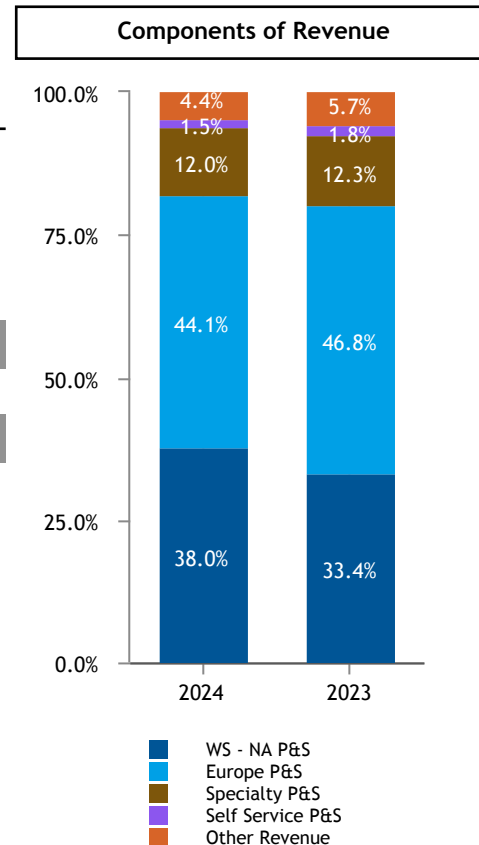
Revenue Changes by Source:

	Organic	Acquisition and Divestiture	Foreign Exchange	Total ⁽¹⁾
Wholesale - North America	(4.3)%	28.6%	—%	24.3%
Europe	1.5%	1.1%	0.2%	2.8%
Specialty	(1.8)%	7.7%	(0.1)%	5.9%
Self Service	(10.8)%	—%	—%	(10.8)%
Parts and Services	(1.2)%	11.7%	0.1%	10.5%
Other	(15.7)%	0.3%	—%	(15.4)%
Total Revenue	(2.0)%	11.0%	0.1%	9.1%

- Wholesale - North America organic revenue for parts and services decreased 4.3%; primarily driven by decreased aftermarket collision volumes which were negatively impacted by lower repairable claims, which we believe are primarily attributable to difficult economic conditions, comparatively warmer weather in the first quarter of 2024 which reduced backlog at body shops going into the second quarter of 2024 and, to a lesser extent, inventory availability issues due to delays in inbound deliveries
- Wholesale - North America acquisition and divestiture revenue was a net increase of \$650 million primarily due to the acquisition of Uni-Select in the third quarter of 2023
- Europe organic revenue for parts and services increased 1.5%; primarily driven by increased volumes in the first quarter of 2024 and, to a lesser extent, pricing initiatives to offset increased costs resulting from inflationary pressures
- Favorable F/X impact on European parts and services revenue of \$8 million; European constant currency⁽²⁾ parts and services revenue increased 2.6%
- Specialty organic revenue for parts and services decreased 1.8%; primarily due to demand softness in the RV product line, as RV unit retail sales have declined year over year
- Self Service organic revenue for parts and services decreased 10.8% (11.3% on a per day basis); primarily driven by lower parts volumes from a reduced number of customer admissions, which were impacted by adverse weather conditions (primarily in California)
- Other organic revenue decreased 15.7%; primarily driven by lower commodities prices and volumes

(1) The sum of the individual revenue change components may not equal the total percentage due to rounding

(2) Constant currency is a non-GAAP financial measure. Refer to Appendix 1 for constant currency reconciliation



Operating Results - YTD

(\$ in millions, except per share data)	YTD		
	2024	2023	Change F/(U)
Revenue	\$7,414	\$6,797	9.1%
Gross Margin	2,893	2,786	3.8%
Operating Expenses	2,020	1,869	(8.1)%
Operating Income	618	772	(19.9)%
Income before provision for income taxes	497	750	(33.7)%
Net income attributable to LKQ stockholders	343	551	(37.7)%
Segment EBITDA ⁽¹⁾	914	941	(2.9)%
Segment EBITDA ⁽¹⁾ Margin	12.3%	13.8%	(150) bps
Diluted EPS attributable to LKQ stockholders:			
Reported	\$1.29	\$2.06	(37.4)%
Adjusted ⁽²⁾	\$1.80	\$2.12	(15.1)%

- Effective income tax rate for the six months ended June 30, 2024 was 30.8% compared to 27.1% for the six months ended June 30, 2023
- 2023 figures include a \$46 million gain on foreign exchange contracts related to the CAD purchase price for the Uni-Select acquisition; gain is excluded from Segment EBITDA⁽¹⁾ and Adjusted Diluted EPS⁽²⁾ (\$0.12 per share)

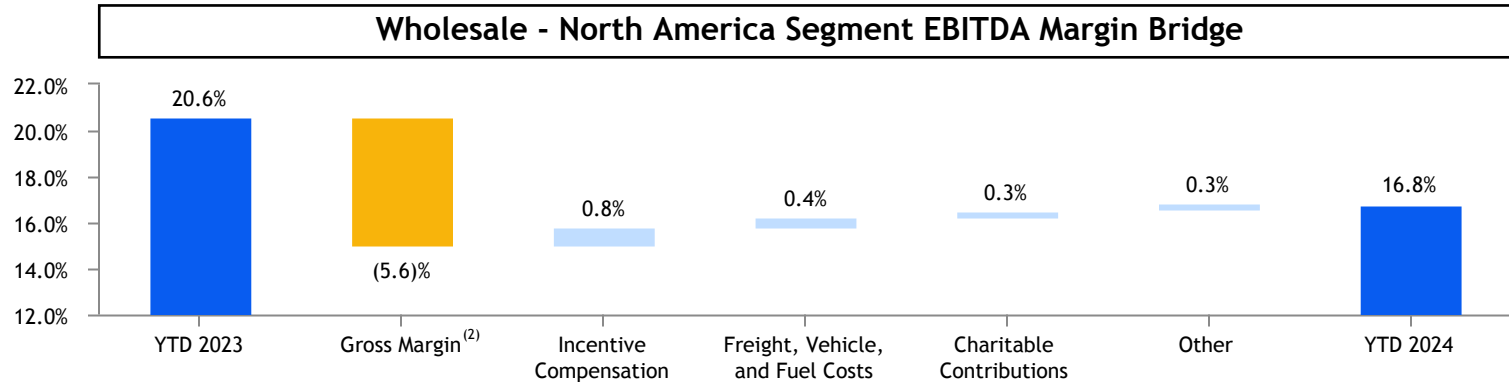
(1) Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for Segment EBITDA reconciliation

(2) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 4 for Adjusted Diluted EPS reconciliation

Wholesale - North America - YTD

(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue	\$2,974	\$2,428	22.5%		
Gross Margin	\$1,311	\$1,206	8.7%	44.1%	49.7%
Operating Expenses	\$823	\$718	(14.5)%	27.7%	29.6%
Segment EBITDA ⁽¹⁾	\$500	\$500	—%	16.8%	20.6%

(1) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.



(2) Includes the dilutive effect of the Q3 2023 Uni-Select acquisition

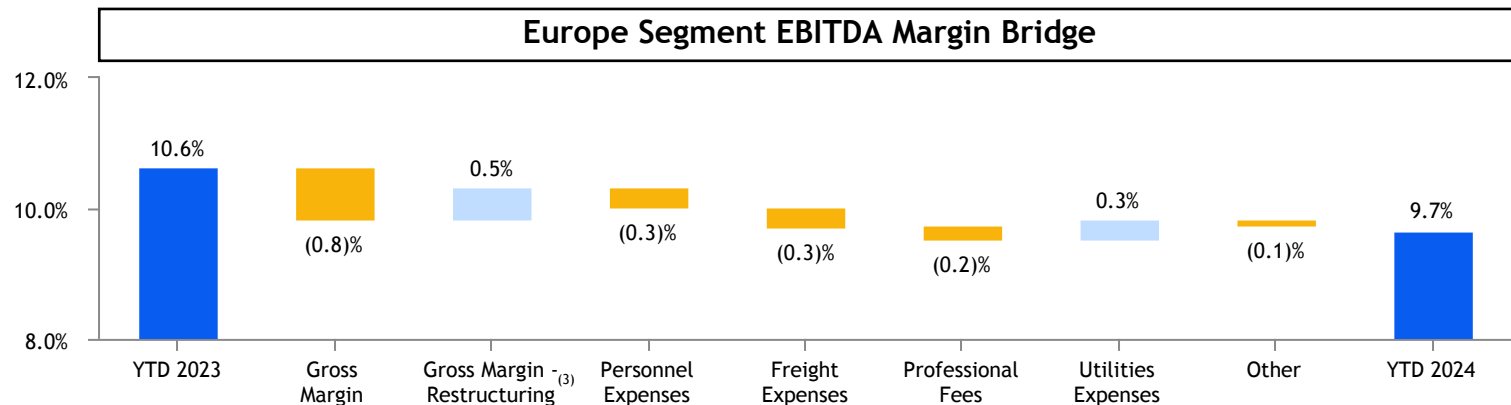
Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding

Europe - YTD

(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue ⁽¹⁾	\$3,283	\$3,193	2.8%		
Gross Margin	\$1,242	\$1,233	0.7%	37.8%	38.6%
Operating Expenses	\$949	\$901	(5.3)%	28.9%	28.2%
Segment EBITDA ⁽²⁾	\$317	\$339	(6.5)%	9.7%	10.6%

(1) The foreign currency impact on parts and services revenue was an \$8 million favorable impact which brings revenue growth at a constant currency to 2.6%. Refer to Appendix 1 for a reported revenue to constant currency revenue reconciliation.

(2) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.



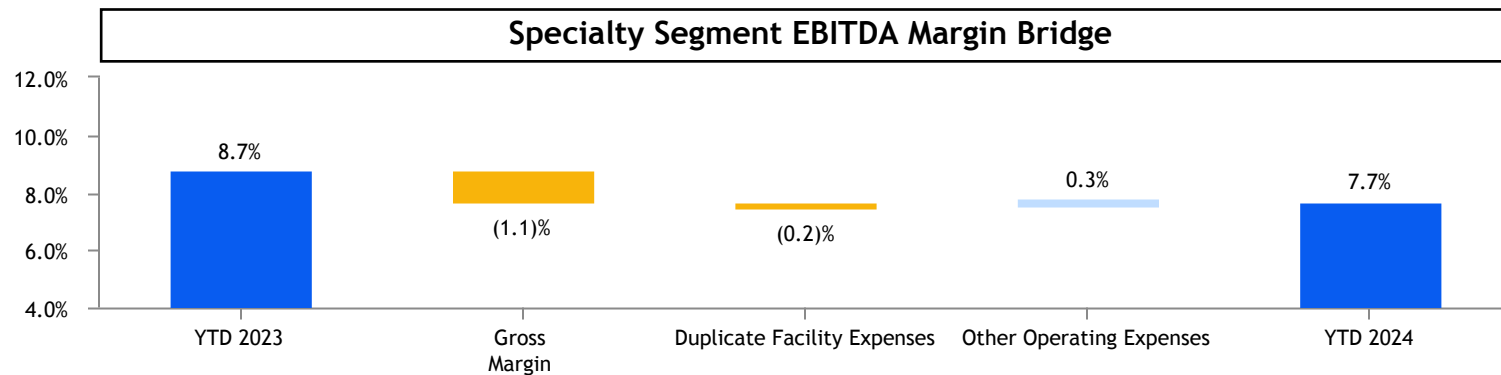
(3) Reported gross margin includes a 0.5% reduction primarily related to restructuring expenses incurred as part of the 2024 Global Restructuring Plan. These costs are excluded from the calculation of Segment EBITDA

Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding

Specialty - YTD

(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue	\$889	\$840	5.9%		
Gross Margin	\$224	\$221	1.4%	25.2%	26.3%
Operating Expenses	\$160	\$152	(5.5)%	18.0%	18.1%
Segment EBITDA ⁽¹⁾	\$68	\$73	(6.9)%	7.7%	8.7%

(1) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.



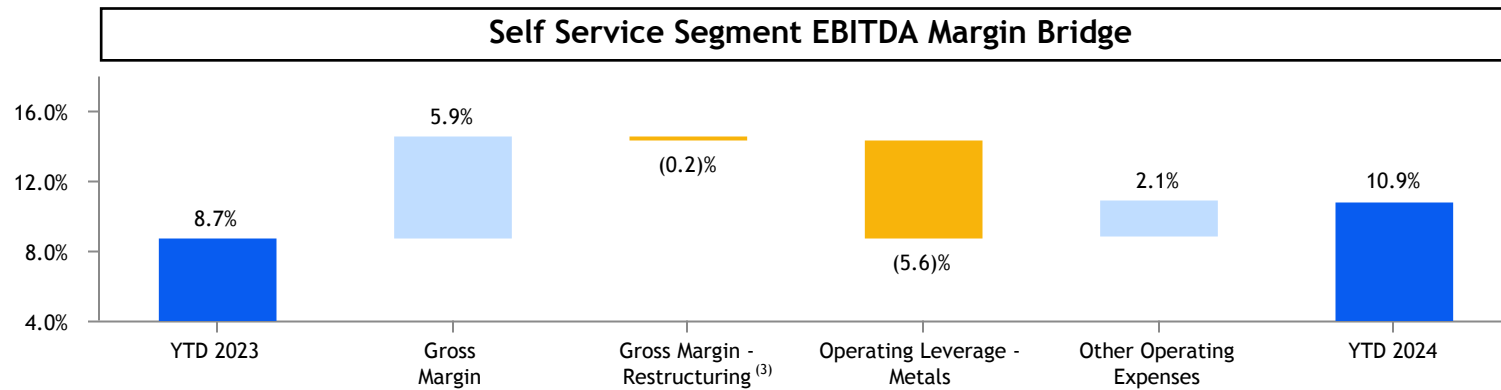
Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding

Self Service - YTD

(\$ in millions)	2024	2023	Change F/(U)	% of Revenue	
				2024	2023
Total Revenue ⁽¹⁾	\$270	\$338	(20.1)%		
Gross Margin	\$116	\$126	(7.6)%	43.1%	37.2%
Operating Expenses	\$88	\$98	10.4%	32.4%	28.9%
Segment EBITDA ⁽²⁾	\$29	\$29	—%	10.9%	8.7%

(1) Includes Other Revenue of \$161 million and \$215 million for YTD 2024 and YTD 2023, respectively. Refer to the "Metals Prices & Foreign Exchange" slide for further detail on metals price trends.

(2) Segment EBITDA for each segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each segment.

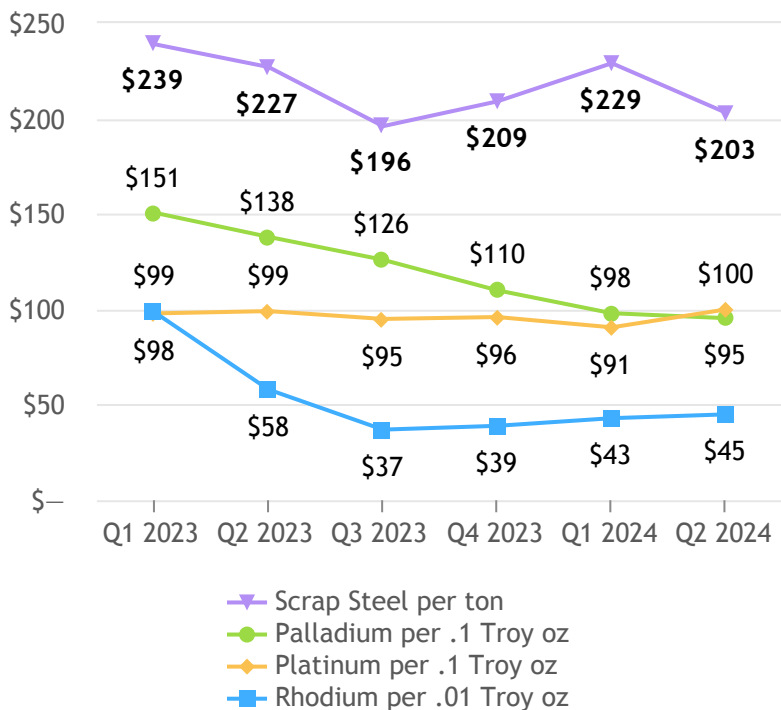


(3) Prior year reported gross margin includes a 0.2% reduction primarily related to restructuring expenses incurred as part of the 2022 Global Restructuring Plan. These costs are excluded from the calculation of Segment EBITDA

Note: In the table and Segment EBITDA Margin Bridge above, the sum of the individual percentages may not equal the total due to rounding

Metals Prices & Foreign Exchange

Average Metals Prices



Q2 2024 vs Q2 2023 Segment EBITDA Impact

(\$ in millions)	Self Service	Wholesale - North America	Total
Scrap Steel	\$ (3)	\$ (2)	\$ (5)
Precious Metals	\$ (5)	\$ (4)	\$ (9)
Total	\$ (8)	\$ (6)	\$ (14)

YTD 2024 vs YTD 2023 Segment EBITDA Impact

(\$ in millions)	Self Service	Wholesale - North America	Total
Scrap Steel	\$ (10)	\$ (2)	\$ (12)
Precious Metals	\$ (13)	\$ (11)	\$ (24)
Total	\$ (23)	\$ (13)	\$ (36)

Foreign Exchange

	YoY Impact	Q2 2024	Q2 2023
GBP	0.8%	1.26	1.25
EUR	(1.1)%	1.08	1.09
CAD	(1.9)%	0.73	0.74
		YTD 2024	Q2 2024
GAAP EPS ⁽¹⁾ Impact		\$ (0.13)	\$ (0.07)
Adjusted EPS Impact		\$ (0.01)	\$ (0.01)

(1) Includes gains on foreign exchange contracts related to the Uni-Select acquisition of \$23 million and \$46 million for the three and six months ended June 30, 2023, respectively; excluded from Adjusted EPS

Inventory Procurement

(\$ in millions, vehicles purchased in 000s)

	Q2			YTD		
	2024	2023	% Change	2024	2023	% Change
Total aftermarket procurement	\$1,798	\$1,486	21.0%	\$3,613	\$2,930	23.3%
Wholesale - North America salvage vehicles	66	65	1.5%	127	129	(1.6)%
Europe wholesale salvage vehicles	7	7	—%	16	15	6.7%
Self Service salvage vehicles	112	143	(21.7)%	223	280	(20.4)%

- Aftermarket purchases in 2024 increased on a QTD and YTD basis
 - Aftermarket purchases in Wholesale - North America increased \$514 million YTD relative to the prior year period primarily due to the acquisition of Uni-Select
 - Europe aftermarket purchases increased \$50 million YTD including a \$12 million increase related to the change in the value of the pound sterling
 - Specialty aftermarket purchases increased \$119 million YTD primarily due to decreased inventory purchases in the prior year period to align inventory levels with demand
- Wholesale - North America salvage purchases in the six months ended June 30, 2024 decreased relative to the prior year period due to working down the backlog caused by ramped up purchasing in the fourth quarter of 2023
- Self Service salvage purchases decreased relative to the prior year period due to a focus on reducing average car cost

Appendix

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures. Following are reconciliations of each non-GAAP financial measure with the most directly comparable financial measure calculated in accordance with GAAP.

Appendix 1

Constant Currency Reconciliation

The following unaudited table reconciles revenue and revenue growth for parts & services and total revenue to constant currency revenue and revenue growth for the same measures:

(in millions)	Three Months Ended June 30, 2024		Six Months Ended June 30, 2024	
	Consolidated	Europe	Consolidated	Europe
Parts & Services				
Revenue as reported	\$3,552	\$1,633	\$7,087	\$3,270
Less: Currency impact	\$(21)	\$(18)	\$6	\$8
Revenue at constant currency	\$3,573	\$1,651	\$7,081	\$3,262
Total				
Revenue as reported	\$3,711		\$7,414	
Less: Currency impact	\$(21)		\$6	
Revenue at constant currency	\$3,732		\$7,408	

Appendix 1(cont.)

Constant Currency Reconciliation

	Three Months Ended June 30, 2024		Six Months Ended June 30, 2024	
	Consolidated	Europe	Consolidated	Europe
Parts & Services				
Revenue growth as reported	9.0%	—%	10.5%	2.8%
Less: Currency impact	(0.6)%	(1.1)%	0.1%	0.2%
Revenue growth at constant currency	9.6%	1.1%	10.4%	2.6%
Total				
Revenue growth as reported	7.6%		9.1%	
Less: Currency impact	(0.6)%		0.1%	
Revenue growth at constant currency	8.2%		9.0%	

We have presented our revenue and the growth rate on both an as reported and a constant currency basis. The constant currency presentation, which is a non-GAAP financial measure, excludes the impact of fluctuations in foreign currency exchange rates. We believe providing constant currency revenue information provides valuable supplemental information regarding our growth, consistent with how we evaluate our performance, as this statistic removes the translation impact of exchange rate fluctuations, which are outside of our control and do not reflect our operational performance. Constant currency revenue results are calculated by translating prior year revenue in local currency using the current year's currency conversion rate. This non-GAAP financial measure has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. Our use of this term may vary from the use of similarly-titled measures by other issuers due to the potential inconsistencies in the method of calculation and differences due to items subject to interpretation. In addition, not all companies that report revenue growth on a constant currency basis calculate such measure in the same manner as we do and, accordingly, our calculations are not necessarily comparable to similarly-named measures of other companies and may not be appropriate measures for performance relative to other companies.

Appendix 2

Revenue and Segment EBITDA by segment

(in millions)	Three Months Ended June 30				Six Months Ended June 30			
	2024	% of revenue	2023	% of revenue	2024	% of revenue	2023	% of revenue
Revenue								
Wholesale - North America	\$1,474		\$1,199		\$2,974		\$2,428	
Europe	1,639		1,638		3,283		3,193	
Specialty	466		443		889		840	
Self Service	133		169		270		338	
Eliminations	(1)		(1)		(2)		(2)	
Total Revenue	\$3,711		\$3,448		\$7,414		\$6,797	
Segment EBITDA								
Wholesale - North America	\$256	17.3%	\$248	20.6%	\$500	16.8%	\$500	20.6%
Europe	174	10.6%	188	11.5%	317	9.7%	339	10.6%
Specialty	41	8.9%	42	9.5%	68	7.7%	73	8.7%
Self Service	13	9.9%	7	4.1%	29	10.9%	29	8.7%
Total Segment EBITDA	\$484	13.0%	\$485	14.1%	\$914	12.3%	\$941	13.8%

We have presented Segment EBITDA solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate our segment profit and loss and underlying trends in our ongoing operations. We calculate Segment EBITDA as Net Income excluding net income and loss attributable to noncontrolling interest; income and loss from discontinued operations; depreciation; amortization; interest; gains and losses on debt extinguishment; income tax expense; restructuring and transaction related expenses; change in fair value of contingent consideration liabilities; other gains and losses related to acquisitions, equity method investments, or divestitures; equity in losses and earnings of unconsolidated subsidiaries; equity investment fair value adjustments; impairment charges; and direct impacts of the Ukraine/Russia conflict. Our chief operating decision maker, who is our Chief Executive Officer, uses Segment EBITDA as the key measure of our segment profit or loss. We use Segment EBITDA to compare profitability among our segments and evaluate business strategies. This financial measure is included in the metrics used to determine incentive compensation for our senior management. We also consider Segment EBITDA to be a useful financial measure in evaluating our operating performance, as it provides investors, securities analysts and other interested parties with supplemental information regarding the underlying trends in our ongoing operations. Segment EBITDA includes revenue and expenses that are controllable by the segment. Corporate general and administrative expenses are allocated to the segments based on usage, with shared expenses apportioned based on the segment's percentage of consolidated revenue. Refer to the table on the following page for a reconciliation of net income to Segment EBITDA.

Appendix 3

Reconciliation of Net Income to Segment EBITDA

(in millions)	Three Months Ended June 30		Six Months Ended June 30	
	2024	2023	2024	2023
Net income	\$186	\$282	\$344	\$552
Less: net income attributable to noncontrolling interest	1	1	1	1
Net income attributable to LKQ stockholders	\$185	\$281	\$343	\$551
Adjustments:				
Depreciation and amortization	100	70	200	135
Interest expense, net of interest income	62	42	123	75
Loss on debt extinguishment	—	—	—	1
Provision for income taxes	82	109	153	203
Equity in earnings of unconsolidated subsidiaries	(2)	(2)	—	(5)
Gains on foreign exchange contracts - acquisition related ⁽¹⁾	—	(23)	—	(46)
Equity investment fair value adjustments	2	—	2	1
Restructuring and transaction related expenses	49	8	79	26
Restructuring expenses - cost of goods sold	6	—	14	—
Segment EBITDA	\$484	\$485	\$914	\$941
Net income attributable to LKQ stockholders as a percentage of revenue	5.0%	8.1%	4.6%	8.1%
Segment EBITDA as a percentage of revenue	13.0%	14.1%	12.3%	13.8%

(1) Related to the Uni-Select acquisition

Appendix 3

Segment EBITDA Reconciliation

We have presented Segment EBITDA solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate our segment profit and loss and underlying trends in our ongoing operations. Refer to paragraph in Appendix 2 for details on the calculation of Segment EBITDA.

Segment EBITDA should not be construed as an alternative to operating income, net income or net cash provided by operating activities, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report Segment EBITDA information calculate Segment EBITDA in the same manner as we do and, accordingly, our calculation is not necessarily comparable to similarly-named measures of other companies and may not be an appropriate measure for performance relative to other companies.

Appendix 4

Reconciliation of Net Income and Diluted EPS to Adjusted Net Income and Adjusted Diluted EPS

(in millions, except per share data)	Three Months Ended June 30		Six Months Ended June 30	
	2024	2023	2024	2023
Net income	\$186	\$282	\$344	\$552
Less: net income attributable to noncontrolling interest	1	1	1	1
Net income attributable to LKQ stockholders	\$185	\$281	\$343	\$551
Adjustments:				
Amortization of acquired intangibles	36	15	73	30
Restructuring and transaction related expenses	49	8	79	26
Restructuring expenses - cost of goods sold	6	—	14	—
Loss on debt extinguishment	—	—	—	1
Pre-acquisition interest expense, net of interest income ⁽¹⁾	—	9	—	12
Gains on foreign exchange contracts - acquisition related ⁽¹⁾	—	(23)	—	(46)
Excess tax benefit from stock-based payments	—	—	(1)	(2)
Tax effect of adjustments	(15)	1	(27)	(2)
Adjusted net income ⁽²⁾	\$261	\$291	\$481	\$570
Weighted average diluted common shares outstanding	265.6	268.2	266.7	268.3
Diluted earnings per share:				
Reported ⁽²⁾	\$0.70	\$1.05	\$1.29	\$2.06
Adjusted ⁽²⁾	\$0.98	\$1.09	\$1.80	\$2.12

(1) Related to the Uni-Select acquisition

(2) Figures are for continuing operations attributable to LKQ stockholders

Appendix 4

Reconciliation of Net Income and Diluted EPS to Adjusted Net Income and Adjusted Diluted EPS

We have presented Adjusted Net Income and Adjusted Diluted Earnings per Share as we believe these measures are useful for evaluating the core operating performance of our continuing business across reporting periods and in analyzing our historical operating results. We define Adjusted Net Income and Adjusted Diluted Earnings per Share as Net Income and Diluted Earnings per Share adjusted to eliminate the impact of net income and loss attributable to noncontrolling interest, income and loss from discontinued operations, restructuring and transaction related expenses, amortization expense related to all acquired intangible assets, gains and losses on debt extinguishment, changes in fair value of contingent consideration liabilities, other gains and losses related to acquisitions, equity method investments, or divestitures, impairment charges, direct impacts of the Ukraine/Russia conflict, interest and financing costs related to the Uni-Select transaction prior to closing, excess tax benefits and deficiencies from stock-based payments and any tax effect of these adjustments. The tax effect of these adjustments is calculated using the effective tax rate for the applicable period or for certain discrete items the specific tax expense or benefit for the adjustment. Given the variability and volatility of the amount of related transactions in a particular period, management believes that these costs are not core operating expenses and should be adjusted in our calculation of Adjusted Net Income. Our adjustment of the amortization of all acquisition-related intangible assets does not exclude the amortization of other assets, which represents expense that is directly attributable to ongoing operations. Management believes that the adjustment relating to amortization of acquisition-related intangible assets supplements the GAAP information with a measure that can be used to assess the comparability of operating performance. The acquired intangible assets were recorded as part of purchase accounting and contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets. These financial measures are used by management in its decision making and overall evaluation of our operating performance and are included in the metrics used to determine incentive compensation for our senior management. Adjusted Net Income and Adjusted Diluted Earnings per Share should not be construed as alternatives to Net Income or Diluted Earnings per Share as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report measures similar to Adjusted Net Income and Adjusted Diluted Earnings per Share calculate such measures in the same manner as we do and, accordingly, our calculations are not necessarily comparable to similarly-named measures of other companies and may not be appropriate measures for performance relative to other companies.

Appendix 5

Forecasted EPS and Free Cash Flow Reconciliation

	Forecasted Fiscal Year 2024	
	Minimum Outlook	Maximum Outlook
(in millions, except per share data)		
Net income ⁽¹⁾	\$719	\$772
Adjustments:		
Amortization of acquired intangibles	144	144
Restructuring and transaction related expenses	122	122
Tax effect of adjustments	(56)	(56)
Adjusted net income ⁽¹⁾	\$929	\$982
Weighted average diluted common shares outstanding	265.5	265.5
Diluted EPS:		
Reported ⁽¹⁾	\$2.71	\$2.91
Adjusted ⁽¹⁾	\$3.50	\$3.70

(1) Actuals and outlook figures are for continuing operations attributable to LKQ stockholders

We have presented forecasted Adjusted Net Income and forecasted Adjusted Diluted Earnings per Share in our financial outlook. Refer to the discussion of Adjusted Net Income and Adjusted Diluted Earnings per Share for details on the calculation of these non-GAAP financial measures. In the calculation of forecasted Adjusted Net Income and forecasted Adjusted Diluted Earnings per Share, we included estimates of net income, amortization of acquired intangibles for the full fiscal year 2024, restructuring expenses under previously announced plans, and the related tax effect; we included for all other components the amounts incurred through June 30, 2024.

	Forecasted Fiscal Year 2024
	Outlook
(in millions)	
Net cash provided by operating activities	\$1,200
Less: purchases of property, plant and equipment	350
Free cash flow	\$850

We have presented forecasted free cash flow in our financial outlook. Refer to Appendix 6 for details on the calculation of free cash flow.

Appendix 6

Reconciliations of Net Cash Provided by Operating Activities to Free Cash Flow and Net Income to Adjusted EBITDA

(in millions)	Three Months Ended June 30		Six Months Ended June 30	
	2024	2023	2024	2023
Net cash provided by operating activities	\$213	\$480	\$466	\$703
Less: purchases of property, plant and equipment	80	66	146	136
Free cash flow	\$133	\$414	\$320	\$567
Net income	\$186	\$282	\$344	\$552
Less: net income attributable to noncontrolling interest	1	1	1	1
Net income attributable to LKQ stockholders	\$185	\$281	\$343	\$551
Adjustments:				
Depreciation and amortization	100	70	200	135
Interest expense, net of interest income	62	42	123	75
Loss on debt extinguishment	—	—	—	1
Provision for income taxes	82	109	153	203
Gains on foreign exchange contracts - acquisition related ⁽¹⁾	—	(23)	—	(46)
Adjusted EBITDA	\$429	\$479	\$819	\$919

(1) Related to the Uni-Select acquisition

Appendix 6

Reconciliations of Net Cash Provided by Operating Activities to Free Cash Flow and Net Income to Adjusted EBITDA

(in millions)	Year Ended December 31	
	2023	2022
Net cash provided by operating activities	\$1,356	\$1,250
Less: purchases of property, plant and equipment	358	222
Free cash flow	\$998	\$1,028
Free cash flow conversion (Free cash flow / Adjusted EBITDA)	59%	60%
Net income	\$938	\$1,150
Less: net income attributable to noncontrolling interest	2	1
Net income attributable to LKQ stockholders	\$936	\$1,149
Less: net (loss) income from discontinued operations	(6)	6
Net income from continuing operations attributable to LKQ stockholders	\$942	\$1,143
Adjustments - continuing operations attributable to LKQ stockholders:		
Depreciation and amortization	319	264
Interest expense, net of interest income	186	70
Loss on debt extinguishment	1	—
Provision for income taxes	306	385
Gain on disposal of businesses ⁽¹⁾	—	(159)
Gain on foreign exchange contracts - acquisition related ⁽²⁾	(49)	—
Adjusted EBITDA	\$1,705	\$1,703

(1) FCF conversion of Adjusted EBITDA excludes \$159 million of gains related to the sale of businesses (primarily PGW) from Adjusted EBITDA, as the proceeds are included in investing cash flows

(2) Related to the Uni-Select acquisition; proceeds are included in investing activities

Appendix 6

Reconciliations of Net Cash Provided by Operating Activities to Free Cash Flow and Net Income to Adjusted EBITDA

We have presented free cash flow solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate our liquidity. We calculate free cash flow as net cash provided by operating activities, less purchases of property, plant and equipment. We believe free cash flow provides insight into our liquidity and provides useful information to management and investors concerning our cash flow available to meet future debt service obligations and working capital requirements, make strategic acquisitions, pay dividends and repurchase stock. We believe free cash flow is used by investors, securities analysts and other interested parties in evaluating the liquidity of other companies, many of which present free cash flow when reporting their results. This financial measure is included in the metrics used to determine incentive compensation for our senior management. Free cash flow should not be construed as an alternative to net cash provided by operating activities, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report free cash flow information calculate free cash flow in the same manner as we do and, accordingly, our calculation is not necessarily comparable to similarly-named measures of other companies and may not be an appropriate measure for liquidity relative to other companies.

We also evaluate our free cash flow by measuring the conversion of Adjusted EBITDA into free cash flow. For the denominator of our conversion ratio, we calculate Adjusted EBITDA as Net Income excluding net income and loss attributable to noncontrolling interest, income and loss from discontinued operations, depreciation, amortization, interest, gains and losses on debt extinguishment, income tax expense, gains and losses on the disposal of businesses, and other unusual income and expense items that affect investing or financing cash flows. We exclude gains and losses on the disposal of businesses as the proceeds are included in investing cash flows, which is outside of free cash flow. Adjusted EBITDA should not be construed as an alternative to operating income, net income or net cash provided by operating activities, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report Adjusted EBITDA information calculate Adjusted EBITDA in the same manner as we do and, accordingly, our calculation is not necessarily comparable to similarly-named measures of other companies and may not be an appropriate measure for performance relative to other companies.