

FEBRUARY 19, 2026

Fourth Quarter and Full Year 2025 Earnings Call Presentation



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, 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, 2024, our subsequent Quarterly Reports on Form 10-Q and our Annual Report on Form 10-K to be filed for the year ended December 31, 2025. 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.

Opening Remarks



JUSTIN JUDE

President and Chief Executive Officer

Executing on Strategic Initiatives

Operational Excellence

- ✓ Over delivered on annual **operating cashflow** (\$1.1 billion) and **free cashflow**⁽¹⁾ (\$847 million)
- ✓ North America delivered organic revenue of (0.7)% **outperforming** repairable claims of **(4)% to (6)% in Q4**
- ✓ Europe **completed review of more than 85% of targeted SKUs**, up from 50% in 2024
- ✓ Specialty delivered second consecutive quarter of high single digit **organic growth**, reporting **7.8%**
- ✓ **Reduced debt** by over **\$500 million** in Q4 2025, improving leverage ratio to 2.4x

Maximizing Shareholder Return

- ✓ Invested **\$40 million** in Q4 2025 to **repurchase 1.3 million shares** of common stock
- ✓ Distributed **\$76 million in cash dividends** in Q4 2025 to shareholders
- ✓ On December 4, 2025, the Company announced it launched a process to **explore the sale** of its **Specialty Parts segment**
- ✓ Full year 2025 returned **\$469 million** to shareholders (~55% of 2025 Free Cash Flow), including **\$159 million** in share **repurchases** and **\$310 million** in **dividends**
- ✓ The Company announced its Board of Directors initiated a **comprehensive review of strategic alternatives** to **enhance shareholder value**

(1) Non-GAAP measure; refer to Appendix for more information

Q4 and FY 2025 Financial Performance Summary

(\$ in millions, except per share data)

Operating Performance ⁽¹⁾	Q4 2025	YoY Change	YTD 2025	YoY Change
Total Revenue	\$3,312	▲ 2.7%	\$13,651	▼ (1.3)%
Organic Parts and Services Revenue Growth (Decline)		▼ (1.7)%		▼ (2.7)%
Segment EBITDA ⁽²⁾	\$321	▼ (18.0)%	\$1,509	▼ (10.6)%
Segment EBITDA ⁽²⁾ Margin	9.7%	▼ (240) bps	11.1%	▼ (110) bps
Diluted EPS ⁽³⁾⁽⁴⁾	\$0.29	▼ (50.0)%	\$2.31	▼ (8.7)%
Adjusted Diluted EPS ⁽²⁾⁽³⁾	\$0.59	▼ (24.4)%	\$3.01	▼ (11.2)%
Cash Flow Metrics ⁽⁵⁾	YTD 2025			
Operating Cash Flow	\$1,063			
Free Cash Flow ⁽²⁾	\$847			
Dividends Paid	\$310			
Share Repurchases	\$159			

(1) Excludes Self Service segment results as those are reported as discontinued operations in the consolidated statements of income

(2) Non-GAAP measure; refer to Appendix for more information

(3) Reference to Diluted EPS and the corresponding adjusted figures reflect amounts from continuing operations attributable to LKQ stockholders

(4) Reflects impact of goodwill impairment charge of \$0.20 in Q4 2025 and a benefit from a non-recurring legal settlement of \$0.10 in Q4 2024

(5) Includes both continuing and discontinued operations

Q4 2025 Results



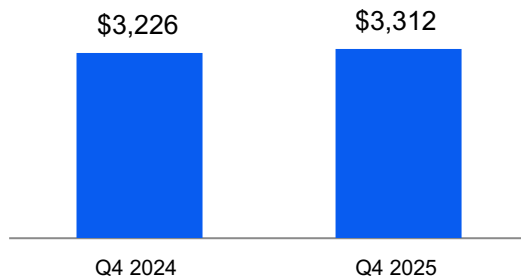
RICK GALLOWAY

Senior Vice President and Chief Financial Officer

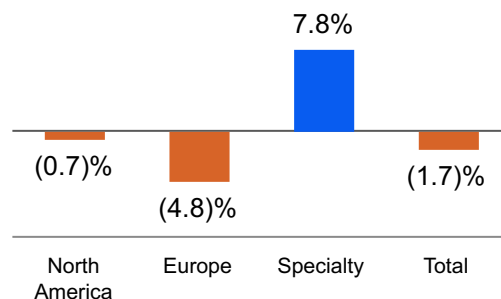
Consolidated Operating Results – Q4 2025

(\$ in millions, except per share data)

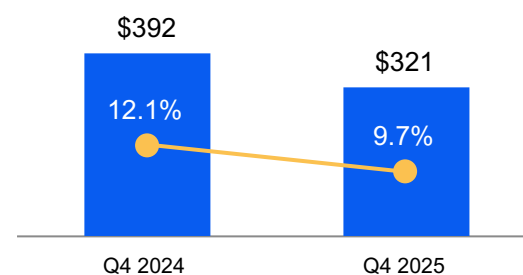
Total Revenue



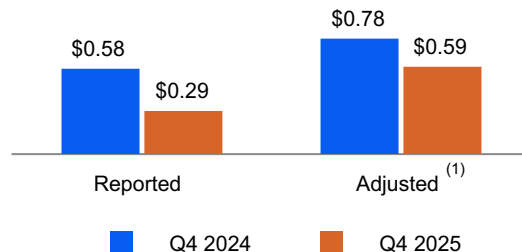
Parts & Services Organic Growth (Decline)



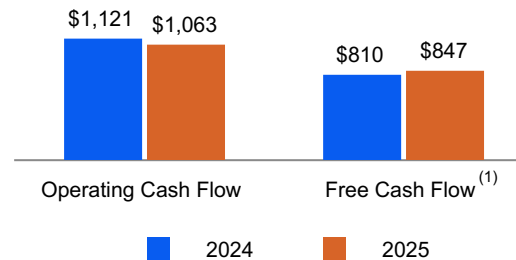
Segment EBITDA ⁽¹⁾



Diluted EPS ⁽²⁾



Cash Flow ⁽³⁾



(1) Non-GAAP measure; refer to Appendix for more information

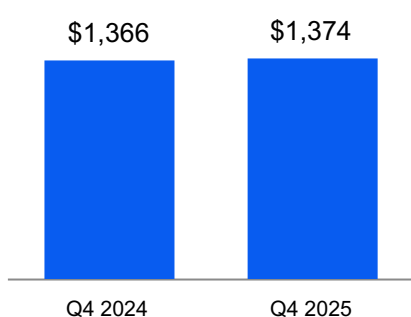
(2) Reference to Diluted EPS and the corresponding adjusted figures reflect amounts from continuing operations attributable to LKQ stockholders

(3) Operating Cash Flow and Free Cash Flow include both continuing and discontinued operations

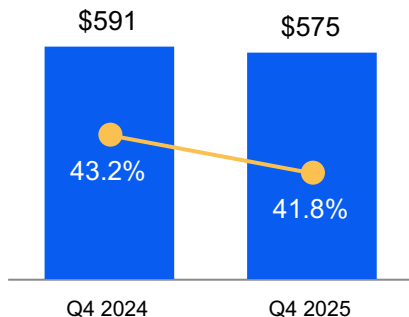
North America – Q4 2025

(\$ in millions)

Total Revenue



Gross Margin



Commentary

Parts and Services Revenue Change

- Organic Decline: 0.7%
- Acquisitions / Divestitures: 0.1%
- Foreign Exchange: 0.1%

Organic Drivers

Repairable claims declined approximately 4% to 6% vs prior year, sequential improvement from 6% decline in prior quarter

Pricing initiatives, market penetration, and higher aftermarket parts volumes partially offset the decline in repairable claims

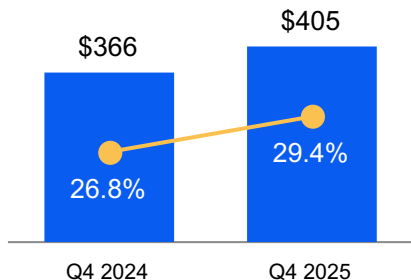
Gross Margin

Dilutive effect from passing through input cost increases, including tariffs, and unfavorable customer mix, partially offset by pricing initiatives

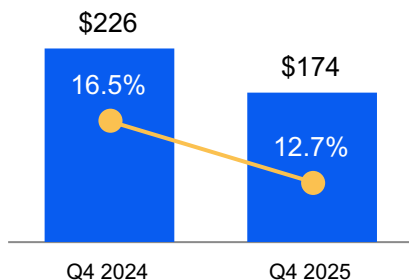
Selling, General and Administrative Expenses

Driven primarily by a nonrecurring favorable legal settlement in Q4 2024

SG&A



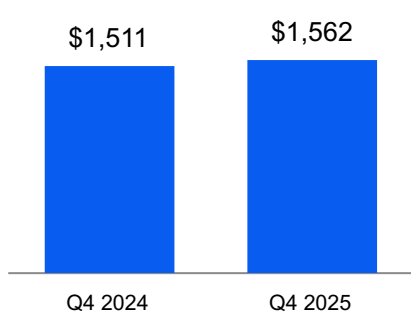
Segment EBITDA



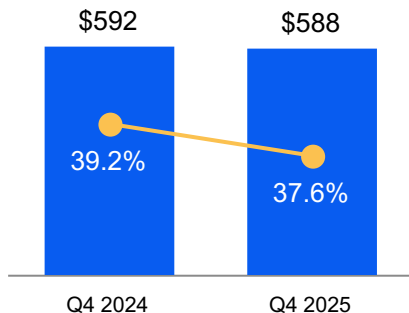
Europe – Q4 2025

(\$ in millions)

Total Revenue



Gross Margin



Commentary

Parts and Services Revenue Change

- Organic Decline: 4.8%
- Acquisitions / Divestitures: 0.3%
- Foreign Exchange: 7.7%

Organic Drivers

Lower volumes due to ongoing market conditions, as well as heightened competition

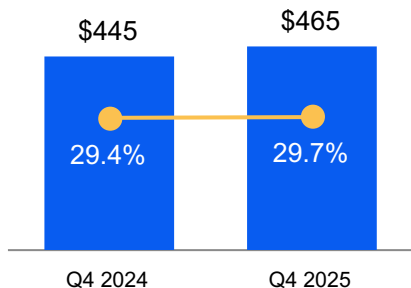
Gross Margin

Gross margin percentage decrease due to inflationary pressures not fully offset by pricing initiatives

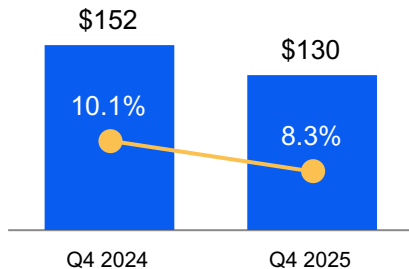
Selling, General and Administrative Expenses

\$34 million unfavorable foreign exchange impact, partially offset by productivity initiatives

SG&A



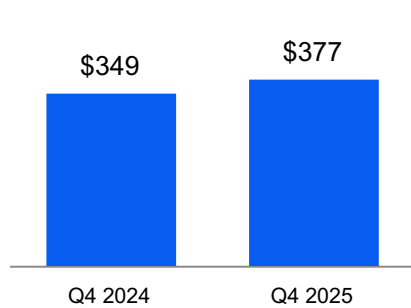
Segment EBITDA



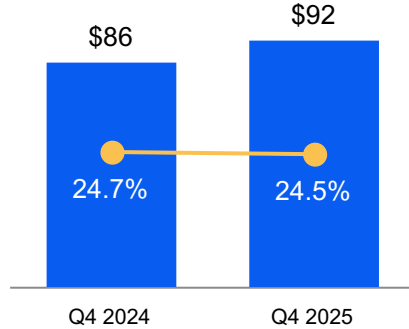
Specialty – Q4 2025

(\$ in millions)

Total Revenue



Gross Margin



Commentary

Parts and Services Revenue Change

- Organic Growth: 7.8%

Organic Drivers

Volume growth in our automotive, marine and manufactured product lines

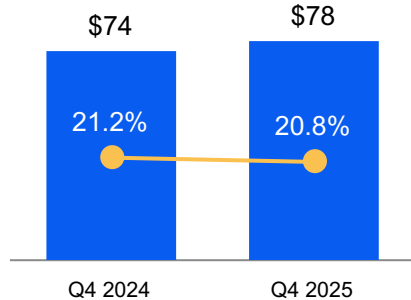
Gross Margin

Higher revenue drove increased gross margin dollars; unfavorable sales mix led to slightly lower gross margin percentage

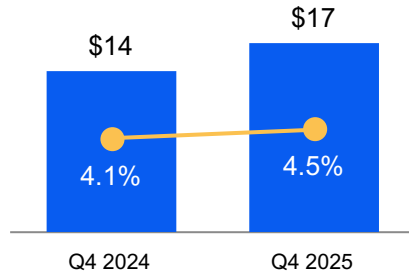
Segment EBITDA

Increased margins in a competitive environment driven by leveraging fixed costs on higher volumes

SG&A

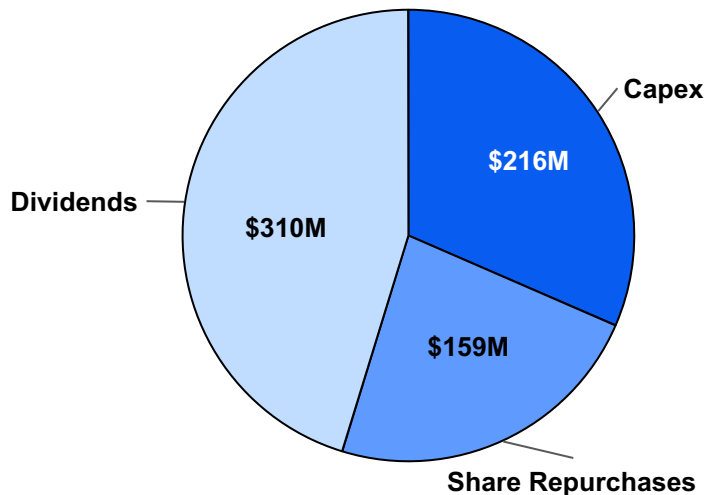


Segment EBITDA



Capital Allocation, Leverage & Liquidity

2025 Capital Deployment



**Total shareholder return of \$469 million in 2025
(~55% of our \$847 million 2025 free cash flow ⁽⁴⁾)**

Key Metrics

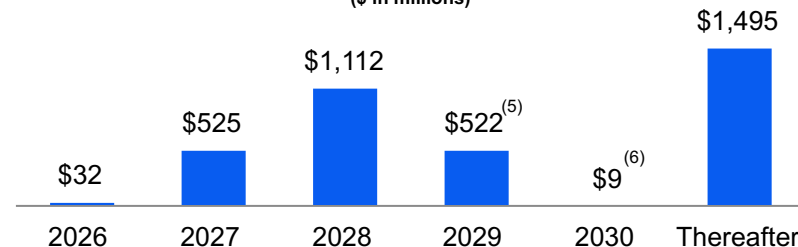
as of December 31, 2025

(\$ and shares in millions)

Cash	\$319
Total Debt ⁽¹⁾	\$3,695
Effective Interest Rate ⁽²⁾	5.0%
Total Leverage Ratio ⁽³⁾	2.4x
Available Liquidity	\$2,204
Share Repurchase Program Capacity Remaining	\$1,556

Debt Maturity

(\$ in millions)



(1) Including our interest rate swaps, approximately 80% of our borrowings at December 31, 2025 are effectively at fixed interest rates

(2) Weighted average interest rate on borrowings outstanding under our Senior Unsecured Credit Agreement, CAD Note and senior notes, including the effects of our interest rate swaps

(3) Total leverage ratio as defined in the Senior Unsecured Credit Agreement filed January 6, 2023

(4) Non-GAAP measure; refer to Appendix for more information

(5) On December 17, 2025, we entered into Amendment No. 4 to the CAD Note which extended the maturity date from July 2026 to March 2029

(6) On December 17, 2025, we entered into Amendment No. 5 to the Senior Unsecured Credit Agreement which extended the maturity date of the revolving credit facility from January 2028 to December 2030

Outlook 2026⁽¹⁾

(effective only on the date issued: February 19, 2026)

	2026 Full Year Outlook
Organic P&S Revenue Growth	(0.5%) to 1.5%
Diluted EPS:	
GAAP ⁽²⁾	\$2.35 to \$2.65
Adjusted ⁽²⁾⁽³⁾	\$2.90 to \$3.20
Cash Flow:	
Operating Cash Flow	\$900 to \$1,100 million
Free Cash Flow ⁽⁴⁾	\$700 to \$850 million

(1) Our outlook for the full year 2026 is based on current conditions, recent trends and our expectations. Outlook includes estimated impacts from the U.S. and retaliatory tariffs in effect as of February 1, 2026. Assumptions used - Tax Rate: 26.8%; Fx Rates: \$1.17 EUR, \$1.35 GBP, \$0.72 CAD; Changes in these conditions may impact our ability to achieve the estimates.

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

(3) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 3 for the definition of Adjusted Diluted EPS and Appendix 4 for reconciliation of forecasted Adjusted Diluted EPS

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

Closing Remarks

JUSTIN JUDE

President and Chief Executive Officer

Appendix

Appendix 1

Revenue and Segment EBITDA by segment

(in millions)	Three Months Ended December 31,			
	2025	% of revenue	2024	% of revenue
Revenue				
North America	\$1,374		\$1,366	
Europe	1,562		1,511	
Specialty	377		349	
Eliminations	(1)		—	
Total Revenue	\$3,312		\$3,226	
Segment EBITDA				
North America	\$174	12.7%	\$226	16.5%
Europe	130	8.3%	152	10.1%
Specialty	17	4.5%	14	4.1%
Total Segment EBITDA	\$321	9.7%	\$392	12.1%

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 ("CODM"), who is our Chief Executive Officer, uses Segment EBITDA as the key measure of our segment profit or loss. The CODM uses 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 2

Reconciliation of Net Income to Segment EBITDA

(in millions)	Three Months Ended December 31,		Year Ended December 31,
	2025	2024	2025
Net income	\$66	\$157	\$608
Less: net income attributable to continuing noncontrolling interest	—	1	1
Net income attributable to LKQ stockholders	\$66	\$156	\$607
Less: net (loss) income from discontinued operations	(9)	5	11
Net income from continuing operations attributable to LKQ stockholders	\$75	\$151	\$596
Adjustments:			
Depreciation and amortization	106	103	409
Interest expense, net of interest income	49	52	207
Provision for income taxes	31	55	204
Equity in earnings of unconsolidated subsidiaries	(1)	(5)	(1)
Equity investment fair value adjustments	—	—	(1)
Restructuring and transaction related expenses	9	36	42
Direct impacts of Ukraine/Russia conflict ⁽¹⁾	—	—	1
Impairment of goodwill	52	—	52
Segment EBITDA	\$321	\$392	\$1,509
Net income from continuing operations attributable to LKQ stockholders as a percentage of revenue	2.2%	4.7%	4.4%
Segment EBITDA as a percentage of revenue	9.7%	12.1%	11.1%

(1) Adjustments include provisions for and subsequent adjustments to reserves for asset recoverability (primarily receivables and inventory)

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. 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 3

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

(in millions, except per share data)	Three Months Ended December 31,		Year Ended December 31,
	2025	2024	2025
Net income	\$66	\$157	\$608
Less: net income attributable to continuing noncontrolling interest	—	1	1
Net income attributable to LKQ stockholders	\$66	\$156	\$607
Less: net (loss) income from discontinued operations	(9)	5	11
Net income from continuing operations attributable to LKQ stockholders	\$75	\$151	\$596
Adjustments:			
Amortization of acquired intangibles	36	38	144
Restructuring and transaction related expenses	9	36	42
Direct impacts of Ukraine/Russia conflict ⁽²⁾	—	—	1
Impairment of goodwill	52	—	52
Excess tax deficiency from stock-based payments	—	—	1
Tax effect of adjustments	(22)	(23)	(59)
Adjusted net income ⁽¹⁾	\$150	\$202	\$777
Weighted average diluted common shares outstanding	256.0	259.9	257.8
Diluted earnings per share:			
Reported ⁽¹⁾	\$0.29	\$0.58	\$2.31
Adjusted ⁽¹⁾	\$0.59	\$0.78	\$3.01

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

(2) Adjustments include provisions for and subsequent adjustments to reserves for asset recoverability (primarily receivables and inventory)

Appendix 3

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, 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 4

Forecasted EPS and Free Cash Flow Reconciliation

(in millions, except per share data)

Net income⁽¹⁾

Adjustments:

Amortization of acquired intangibles

Restructuring and transaction related expenses

Tax effect of adjustments

Adjusted net income⁽¹⁾

Weighted average diluted common shares outstanding

Diluted EPS:

Reported⁽¹⁾

Adjusted⁽¹⁾

Forecasted Fiscal Year 2026	
Minimum Outlook	Maximum Outlook
\$600	\$677
128	128
65	65
(51)	(51)
\$742	\$819
255.6	255.6
\$2.35	\$2.65
\$2.90	\$3.20

(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 2026, restructuring expenses under approved plans, and the related tax effect.

(in millions)

Net cash provided by operating activities

Less: purchases of property, plant and equipment

Free cash flow

Forecasted Fiscal Year 2026	
Minimum Outlook	Maximum Outlook
\$900	\$1,100
200	250
\$700	\$850

We have presented forecasted free cash flow in our financial outlook. Refer to Appendix 5 for details on the calculation of free cash flow.

Appendix 5

Reconciliations of Net Cash Provided by Operating Activities to Free Cash Flow

(in millions)	Year Ended December 31,	
	2025	2024
Net cash provided by operating activities ⁽¹⁾	\$1,063	\$1,121
Less: purchases of property, plant and equipment ⁽¹⁾	216	311
Free cash flow ⁽¹⁾	\$847	\$810

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 this metric 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.

(1) Includes both continuing and discontinued operations. For the year ended December 31, 2025 and 2024, Self Service contributed approximately \$50 million and \$40 million, respectively, of free cash flow.