Fourth Quarter & Full Year 2019 Earnings Call

February 20, 2020

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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 including those identified below. 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 results to differ from the results predicted or implied by our forward-looking statements include the factors 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, 2018 and in our subsequent Quarterly Reports on Form 10-Q. These reports are available on our investor relations website at lkqcorp.com and on the SEC website at 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.

Mission Statement

To be the leading global value-added distributor of vehicle parts and accessories by offering our customers the most comprehensive, available and cost effective selection of part solutions while building strong partnerships with our employees and the communities in which we operate

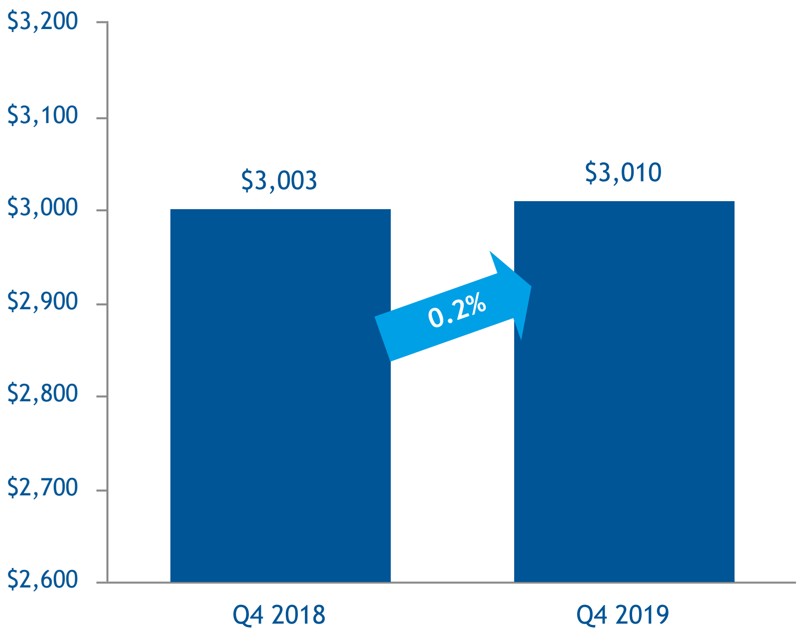
Q4 2019 Key Takeaways

- Organic parts and services revenue growth of 0.9% and acquisition growth of 0.2%, partially offset by a decline due to foreign currency translation (1.0%) leading to total parts and services revenue growth of 0.1%
    - North America organic revenue growth of 2.5% despite a 1.0% decline in collision and liability related auto claims[1] for Q4 2019 and termination of FCA-Mopar battery contract
    - European soft macroeconomic conditions continued, though the segment reported 1.2% organic growth
    - Specialty organic revenue decreased by 6.0% due to reduced drop shipment sales
- North America Segment EBITDA margin improved 180 basis points vs. Q4 2018
    - 14.0% margin achieved in Q4 is the highest Q4 result in the last five years by 120 basis points
- Progress on 1 LKQ Europe project in line with expectations
- Q4 Continuing Diluted EPS of $0.46 vs. $0.13 (254% increase)
- Q4 Adjusted Diluted EPS[2] of $0.54 vs. $0.48 (13% increase)
- Excellent operating cash conversion in 2019; generated $1.1 billion in operating cash flows, the highest figure in LKQ's history by 50%
- Announced the early redemption of the Company's $600 million 4.75% Senior Notes due 2023; redeemed in January 2020

(1) Per CCC 2019 Fourth Quarter Industry Update
(2) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 4 for Adjusted Diluted EPS reconciliation

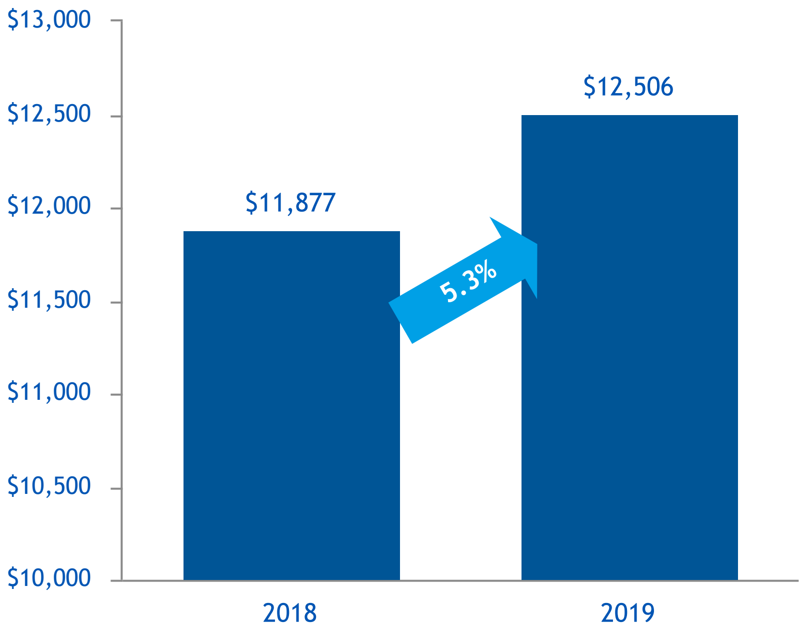
Consolidated Results - Continuing Operations

Q4 2019 Revenue(1)



- Organic revenue growth for parts and services was 0.9% on a reported basis

2019 Revenue(1)

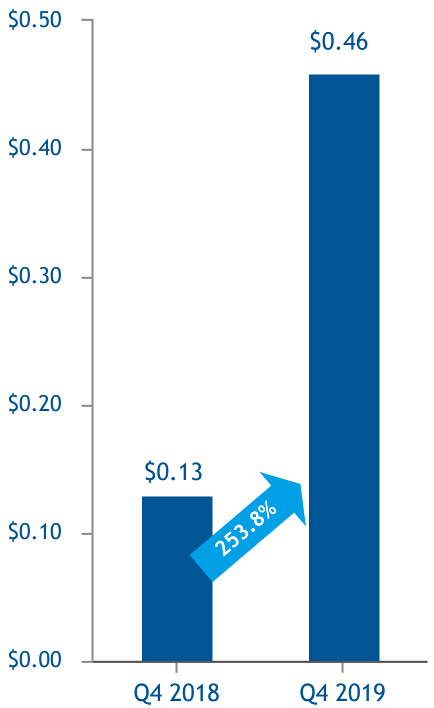


- Organic revenue growth for parts and services was 0.3% on a reported basis

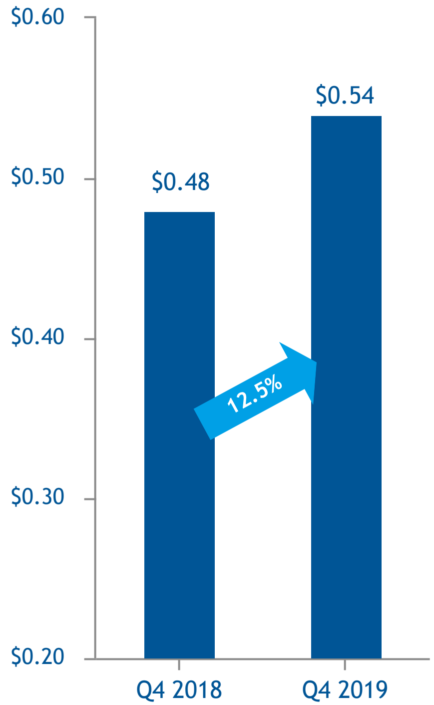
(1) Revenue in millions

Consolidated Results - Continuing Operations

Q4 2019 EPS(1)



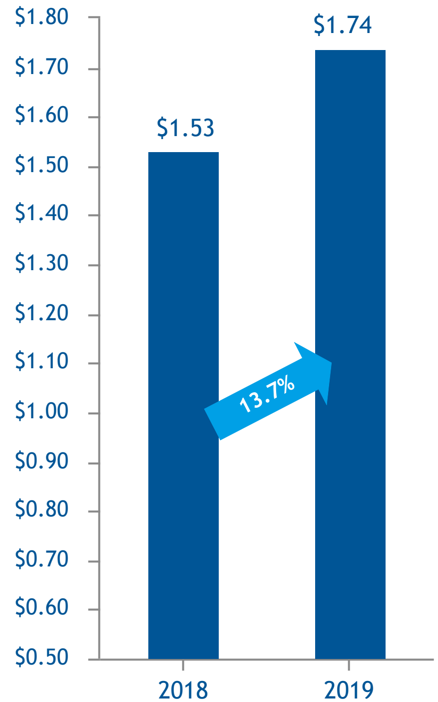
Diluted EPS



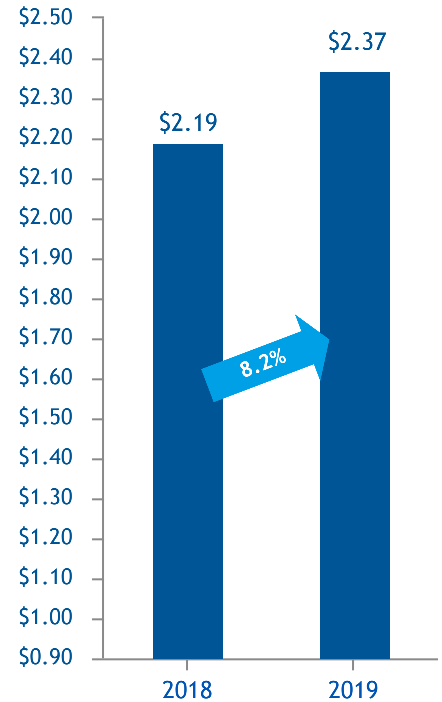
Adjusted Diluted EPS(2)

- Net income from continuing operations attributable to LKQ stockholders of $140 million (4.7% of revenue) in Q4 2019 vs. $40 million (1.3% of revenue) in Q4 2018; up 247.0% YOY
- Q4 2018 includes impairment charges totaling $75 million after tax or ($0.23) per share
- Segment EBITDA(3) of $313 million; up 8.8% YOY
- Segment EBITDA Margin(3) of 10.4% in Q4 2019 vs. 9.6% in Q4 2018

2019 EPS(1)



Diluted EPS



Adjusted Diluted EPS(2)

- Net income from continuing operations attributable to LKQ stockholders of $541 million (4.3% of revenue) in 2019 vs. $485 million (4.1% of revenue) in 2018; up 11.6% YOY
- 2019 includes impairment charges totaling $78 million after tax or ($0.25) per share vs. $97 million after tax or ($0.31) per share in 2018
- Segment EBITDA(3) of $1,328 million; up 6.2% YOY
- Segment EBITDA Margin(3) of 10.6% in 2019 vs. 10.5% in 2018

(1) Net income and earnings per share figures refer to net income from continuing operations attributable to LKQ stockholders
(2) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 4 for Adjusted Diluted EPS reconciliation
(3) Segment EBITDA is a non-GAAP financial measure. Refer to Appendix 3 for Segment EBITDA reconciliation

Q4 2019 Revenue Growth

Revenue Changes by Source:	Organic	Acquisition	Foreign Exchange	Total[1]
North America	2.5%	(0.4)%	0.0%	2.1%
Europe	1.2%	0.7%	(2.0)%	(0.1)%
Specialty	(6.0)%	—%	(0.0)%	(6.0)%
Parts and Services	0.9%	0.2%	(1.0)%	0.1%
Other Revenue	2.4%	1.1%	(0.1)%	3.4%
Total	1.0%	0.2%	(0.9)%	0.2%

- Organic revenue growth for parts and services was 0.9% driven by increases in the North America and Europe businesses, partially offset by Specialty
- Organic revenue growth of 2.5% for parts and services in North America was primarily due to increased revenues in our aftermarket and salvage businesses of 4.2% and 5.4%, respectively; wholesale organic revenue grew despite the 1.0% decrease in collision and liability claims and FCA-Mopar battery contract termination, partially due to increased volumes attributable to the GM strike and share gain
- Organic revenue growth for parts and services in Europe was 1.2% impacted by continued macroeconomic softness, in particular Germany and Italy
- Unfavorable F/X impact on European parts and services revenue of $28 million; European constant currency parts and services revenue growth of 1.9%[2]
- European acquisition growth for parts and services was $10 million, primarily related to the acquisitions in our Benelux and Italy operations; negative figure for North America acquisition growth reflects the impact of the airplane recycling business divestiture
- Specialty organic revenue decreased by 6.0% due to reduced drop shipment sales
- Increase in other revenue was primarily attributable to higher prices of precious metals, partially offset by lower prices of scrap steel and other metals. Scrap steel prices were down 37% versus Q4 2018 and down 16% from last quarter

(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

2019 Revenue Growth

Revenue Changes by Source:	Organic	Acquisition	Foreign Exchange	Total[1]
North America	0.9%	0.2%	(0.2)%	0.9%
Europe	0.1%	16.3%	(4.6)%	11.8%
Specialty	(0.7)%	—%	(0.3)%	(0.9)%
Parts and Services	0.3%	7.6%	(2.2)%	5.7%
Other Revenue	(3.3)%	1.2%	(0.2)%	(2.3)%
Total	0.1%	7.3%	(2.1)%	5.3%

- Organic revenue growth for parts and services was 0.3% driven by increases in the North America and Europe businesses partially offset by Specialty
- Organic revenue growth of 0.9% for parts and services in North America was primarily due to increased revenues in our aftermarket and salvage businesses of 0.4% and 4.7%, respectively; revenue growth was positive though adversely impacted by a decline in accident frequency accompanied by mild winter weather
- Organic revenue growth for parts and services in Europe was 0.1% impacted by ongoing macroeconomic softness and mild winter weather conditions
- Unfavorable F/X impact on European parts and services revenue of $239 million; European constant currency parts and services revenue growth of 16.4%[2]
- European acquisition growth for parts and services was $848 million, primarily related to the acquisition of Stahlgruber
- Specialty organic revenue decreased for parts and services by 0.7% primarily due to reduced drop shipment sales
- Decrease in other revenue was primarily attributable to lower prices of scrap steel and other metals, partially offset by increased volumes of scrap steel and higher prices of precious metals. Scrap steel prices were down 28% versus 2018

(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

Q4 2019 Operating Highlights

North America

- Generated 180 bps in year-over-year Segment EBITDA improvement due to the combined impacts of pricing initiatives, targeted operational efficiencies, right-sizing efforts, GM strike and high precious metals prices
- Operational emphasis on working capital yielding improvement in trade working capital
- Positive performance with top-tier customer that entered into a 3-year contract in Q3
- In December 2019, our distribution center in Greenville, Michigan (aftermarket parts) was destroyed by a fire; actions taken to mitigate business disruption
- Continued the development of our mobile app-based delivery manifest management system called InTouch Mobile Manifest

Europe

- On January 8th, announced the execution of a definitive agreement to sell our equity interests in two Czech wholesale automotive parts distributors to Swiss Automotive Group AG, subject to required regulatory approvals
- Continued to witness soft macroeconomic conditions across Europe with certain key markets exhibiting signs of recovery, with the exception of Germany and Italy
- Trade working capital improved year-over-year due to improved inventory management and cash collection
- In Q4 2019, we began construction on our new central distribution center in the Benelux region

Specialty

- Positive representation at the 2019 SEMA show, particularly Warn; Warn annnounced at the show that Ford Motor Company is offering an optional Warn winch for its 2020 F-250 and F-350 Super Duty truck that will be available as a factory-orderable option or dealer-installed after-sale accessory beginning in mid-2020
- RV OE Warranty program continues to expand, and was well-received industry wide at the RVDA show in Las Vegas in November; we continue to expand our RV OEM warranty program with the recent additions including Winnebago Motorized that was announced at Specialty's big RV Event in January 2020
- Continued to take counter measures to offset top-line revenue challenges by launching initiatives to generate new business in adjacent markets with new products
- Continued to take measures to "right size" cost structure helping to offset some of the reduction in margin

Inventory

Inventory Procurement:	Q4			Fiscal Year		
($ in millions, Vehicles purchased in 000s)	2019	2018	% Change	2019	2018	% Change
Total aftermarket procurement	$1,684	$1,629	3.4%	$6,446	$6,117	5.4%
Wholesale salvage cars and trucks	79	81	(2.5)%	309	310	(0.3)%
Europe wholesale salvage cars and trucks	6	7	(14.3)%	25	28	(10.7)%
Self service and "crush only" cars	136	135	0.7%	591	562	5.2%

- Net increase in aftermarket 2019 purchases driven by:
    - Increase in 2019 aftermarket purchases for Europe, partially offset by the decrease in the 2019 value of euro and pound sterling YOY
- Cost per vehicle in our self service operations decreased 5% YOY due primarily to lower scrap steel prices
- Average cost per vehicle in our full service salvage operations decreased 3% YOY

Financial Results

Operating Results - Continuing Operations

($ in millions, except per share data)	Fourth Quarter 2019	Fourth Quarter 2018	Fourth Quarter Change	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year Change
Revenue	$3,010	$3,003	0.2%	$12,506	$11,877	5.3%
Gross Margin	1,196	1,162	2.9%	4,852	4,575	6.1%
Operating Income	207	164	26.0%	897	882	1.6%
Pre-tax Income	190	124	53.4%	791	743	6.4%
Net income from continuing operations attributable to LKQ stockholders(1)	140	40	247.0%	541	485	11.6%
Segment EBITDA(2)	313	288	8.8%	1,328	1,251	6.2%
Diluted EPS from continuing operations attributable to LKQ stockholders:						
Reported	$0.46	$0.13	253.8%	$1.74	$1.53	13.7%
Adjusted(3)	$0.54	$0.48	12.5%	$2.37	$2.19	8.2%

- Gross Margin for 2019 Q4 and full year 2019 includes the effect of Cost of Goods Sold restructuring charges of $4 million and $21 million, respectively
- Effective income tax rate for the quarter and fiscal year was 26.5% and 27.2%,respectively, compared to 28.3% and 25.7% for the comparable prior year periods. The increase for full year 2019 was primarily due to a $10 million discrete credit due to the Tax Act transition tax in 2018
- Q4 2019 and full year 2019 includes $2 million and $47 million, respectively, of pretax impairment charges included in Operating Income compared to $33 million for both Q4 2018 and full year 2018, respectively

(1) Full year 2019 and 2018 impacted by impairment charges associated with Mekonomen equity investment, goodwill, and assets held for sale of $78 million and $97 million, respectively, after tax
(2) Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for Segment EBITDA reconciliation
(3) Adjusted Diluted EPS is a non-GAAP measure. Refer to Appendix 4 for Adjusted Diluted EPS reconciliation

Q4 2019 Consolidated Margins - Continuing Operations

(as a % of Revenue)	Q4 2019	Q4 2018	Change F/(U)	Q4 Commentary
Revenue	100.0%	100.0%	—%	
Gross Margin	39.7%	38.7%	1.0%	Increase primarily attributable to North America
Adjusted Gross Margin(1)	39.9%	38.7%	1.2%	Excludes COGS restructuring charge in Europe
Selling, General and Administrative Expenses	29.7%	29.3%	(0.4)%	Increase primarily attributable to North America and transformation expenses in Europe
Restructuring and Acquisition Related Expenses	0.5%	0.2%	(0.3)%	Up year-over-year due to restructuring programs announced in Q2
Operating asset and goodwill impairment	0.1%	1.1%	1.0%	$2M impairment charge in Q4 2019 for assets that are classified as held for sale and $33 million goodwill impairment charge in Q4 2018
Depreciation and Amortization	2.6%	2.6%	—%	
Operating Income	6.9%	5.5%	1.4%	
Segment EBITDA(2)	10.4%	9.6%	0.8%	

Note: In the table above, the sum of the individual percentages may not equal the total due to rounding
(1) Adjusted Gross Margin is a non-GAAP measure. Refer to Appendix 7 for Reconciliation of Gross Margin to Adjusted Gross Margin
(2) Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for Segment EBITDA reconciliation. Segment EBITDA is a measure of segment profitability. Refer to individual segment slides for drivers of Segment EBITDA.

2019 Consolidated Margins - Continuing Operations

(as a % of Revenue)	2019	2018	Change F/(U)	2019 Commentary
Revenue	100.0%	100.0%	—%	
Gross Margin	38.8%	38.5%	0.3%	Increase primarily attributable to North America (0.6%) partially offset by acquisitions (0.2% - primarily Stahlgruber) and COGS restructuring charge in Europe (0.2%)
Adjusted Gross Margin[1]	39.0%	38.5%	0.5%	Excludes COGS restructuring charge noted above
Selling, General and Administrative Expenses	28.6%	28.2%	(0.4)%	Increase primarily attributable to North America and Europe, offset by Specialty
Restructuring and Acquisition Related Expenses	0.3%	0.3%	—%	
Operating asset and goodwill impairment	0.4%	0.3%	(0.1)%	Includes $47 million pretax impairment charges on net assets held for sale in 2019 and $33 million goodwill impairment charge in Q4 2018
Depreciation and Amortization	2.3%	2.3%	—%	
Operating Income	7.2%	7.4%	(0.2)%	
Segment EBITDA[2]	10.6%	10.5%	0.1%	

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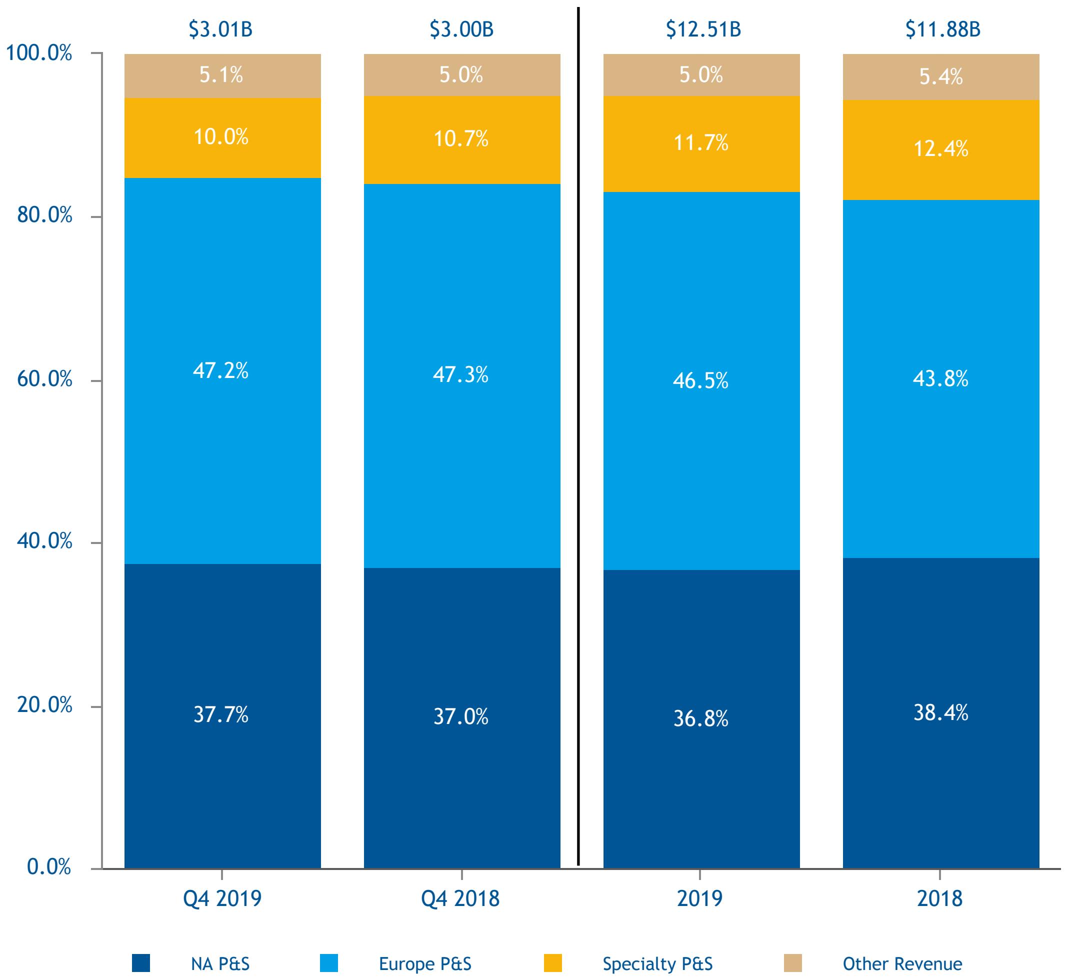
Components of Revenue



- Increase in 2019 revenue as a percentage of consolidated revenue for our European businesses reflects the impact from the Stahlgruber acquisition in Q2 2018
- "Other revenue" continues to be a small percentage of our total global revenue

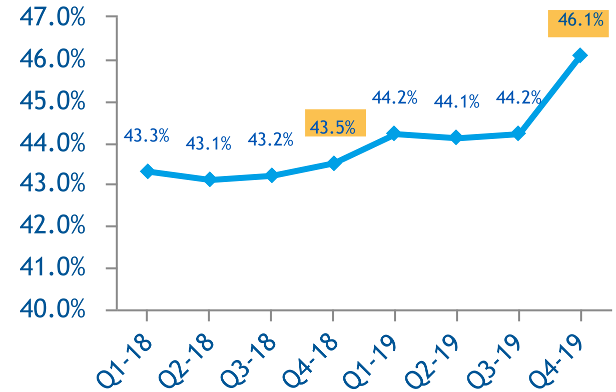
North America - Q4 2019 Results

($ in millions)	2019	2018	Change F/(U)	% of Revenue 2019	% of Revenue 2018
Total Revenue	$1,283	$1,255	2.3%		
Gross Margin	$591	$546	8.1%	46.1%	43.5%
Operating Expenses	$417	$397	(5.0)%	32.5%	31.6%
Other Income, net[1]	$15	$3			
Segment EBITDA[2]	$180	$153	17.3%	14.0%	12.2%

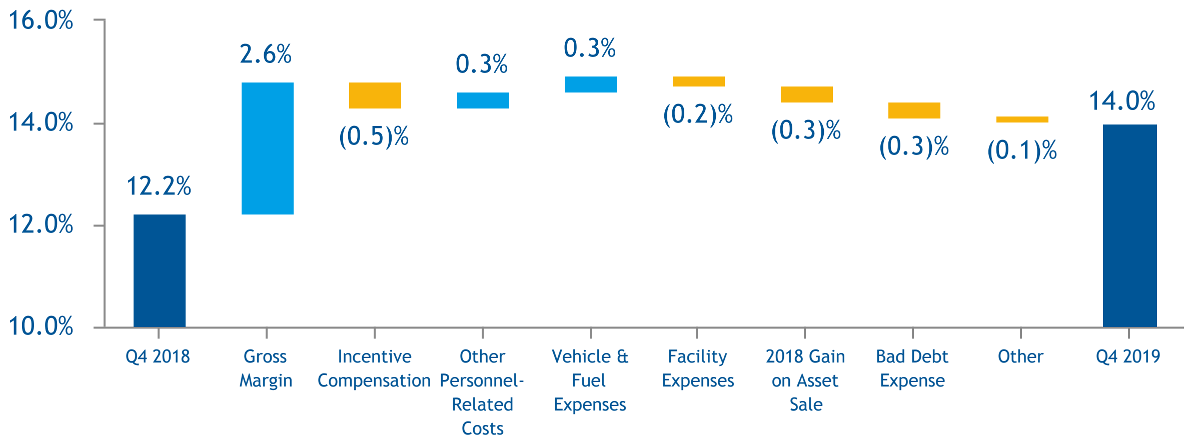
(1) 2019 includes a $12 million nonrecurring gain that is excluded from the calculation of Segment EBITDA

(2) Segment EBITDA for each respective 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 respective segment.

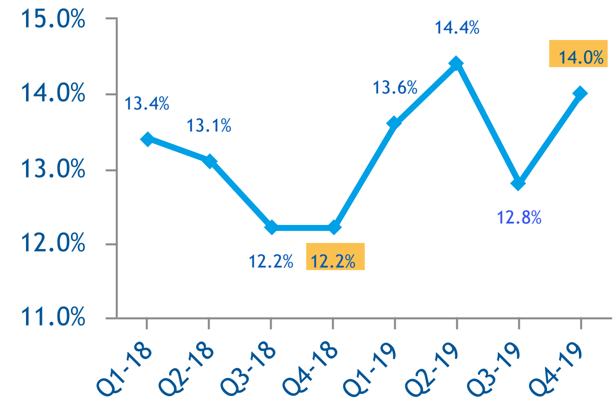
Gross Margin



North America Segment EBITDA Margin Bridge



Segment EBITDA Margin



Note: In the table above, the sum of the individual percentages may not equal the total due to rounding

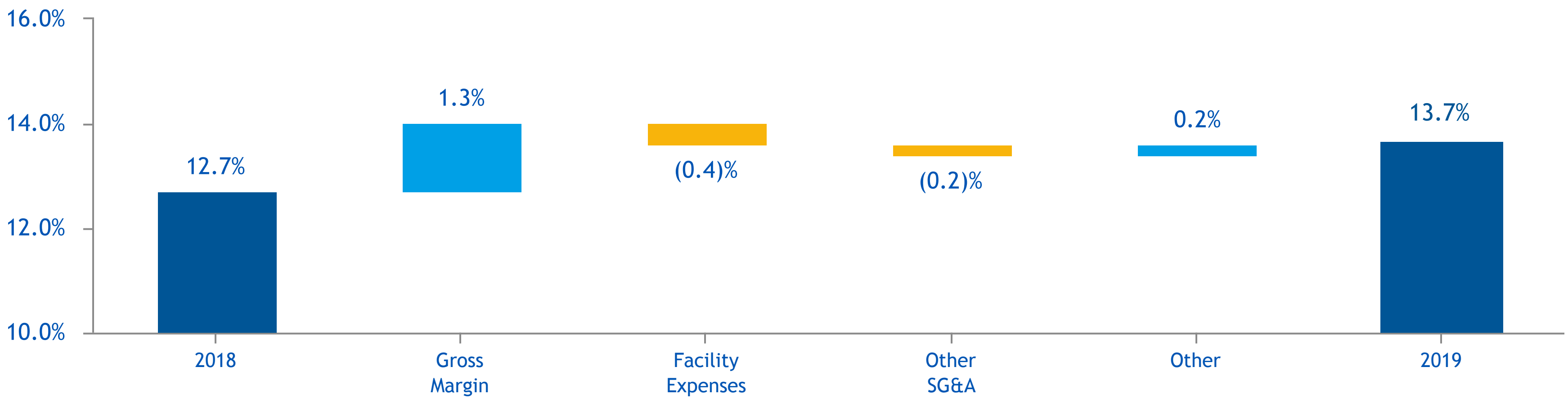
North America - 2019 Results

($ in millions)	2019	2018	Change F/(U)	% of Revenue 2019	% of Revenue 2018
Total Revenue	$5,209	$5,183	0.5%		
Gross Margin	$2,325	$2,243	3.7%	44.6%	43.3%
Operating Expenses	$1,638	$1,599	(2.5)%	31.4%	30.8%
Other Income, net[1]	$31	$13			
Segment EBITDA[2]	$713	$660	8.0%	13.7%	12.7%

(1) 2019 includes a $12 million nonrecurring gain that is excluded from the calculation of Segment EBITDA.

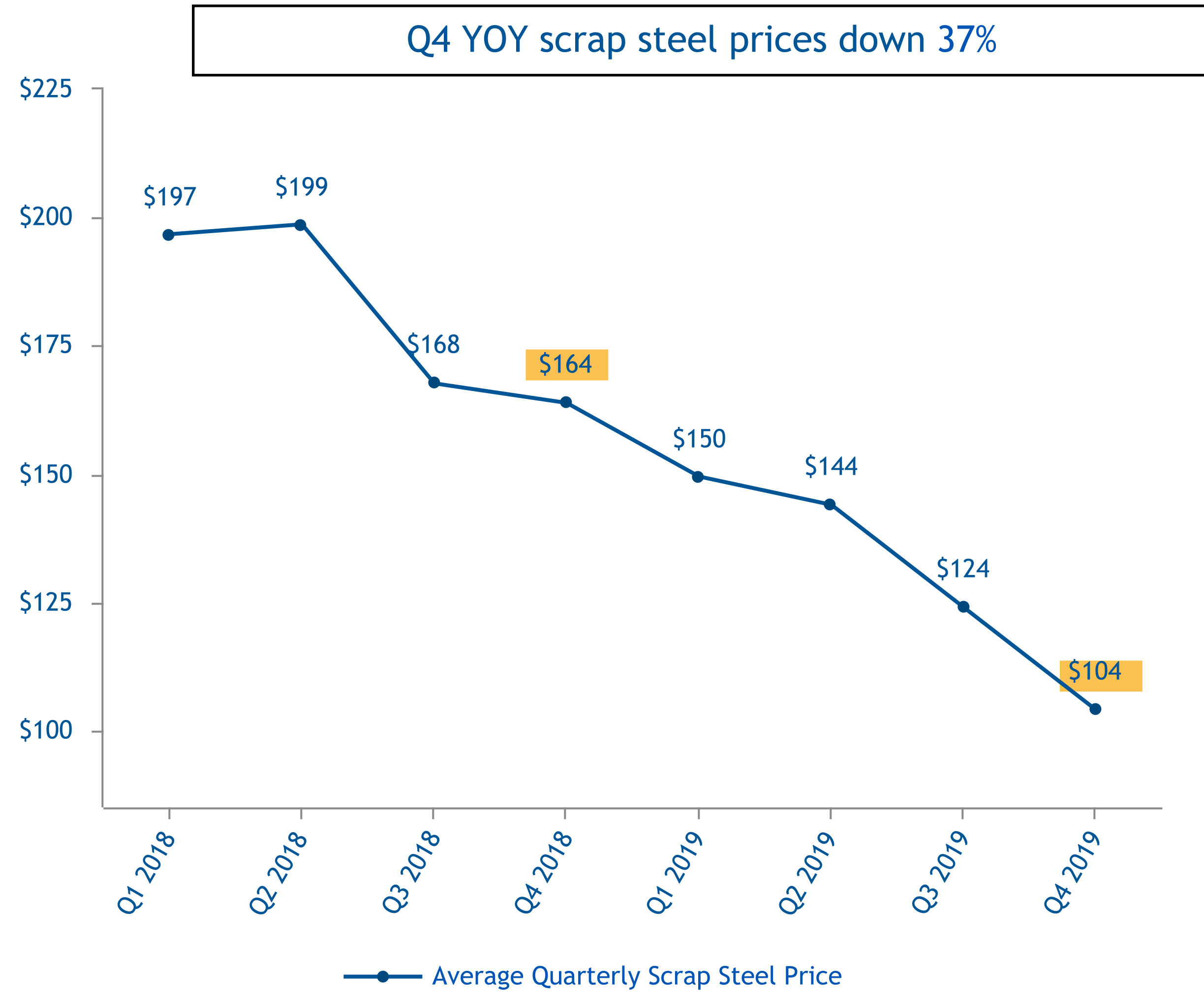
(2) Segment EBITDA for each respective segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each respective segment.

North America Segment EBITDA Margin Bridge



Note: In the table above, the sum of the individual percentages may not equal the total due to rounding

Scrap Steel Prices



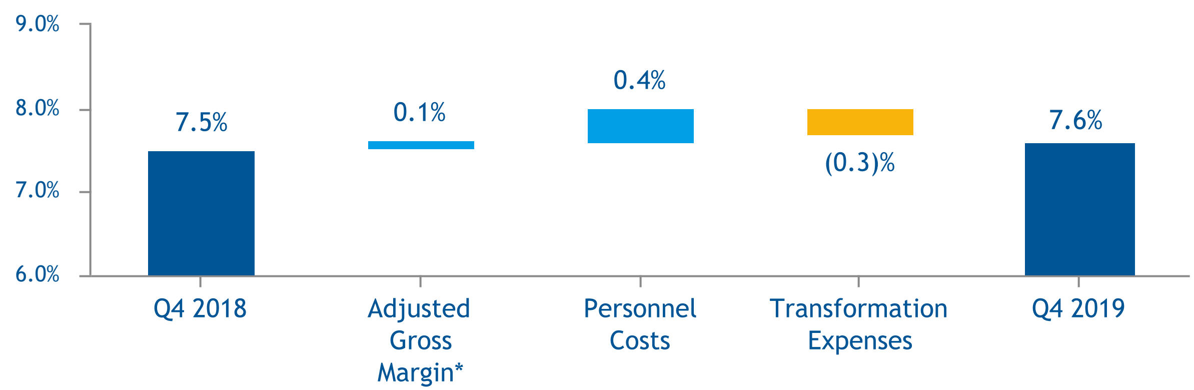
- Average price realized for scrap steel decreased by 37% from $164 per ton in Q4 2018 to $104 per ton in Q4 2019
- Sequential change from last quarter was negative $20 per ton, or down 16%
- Changes in scrap steel prices impacted Segment EBITDA:
    - Q4 2019: unfavorable $9 million
    - Q4 2018: unfavorable $5 million
    - 2019: unfavorable $23 million
    - 2018: favorable $5 million

Europe - Q4 2019 Results

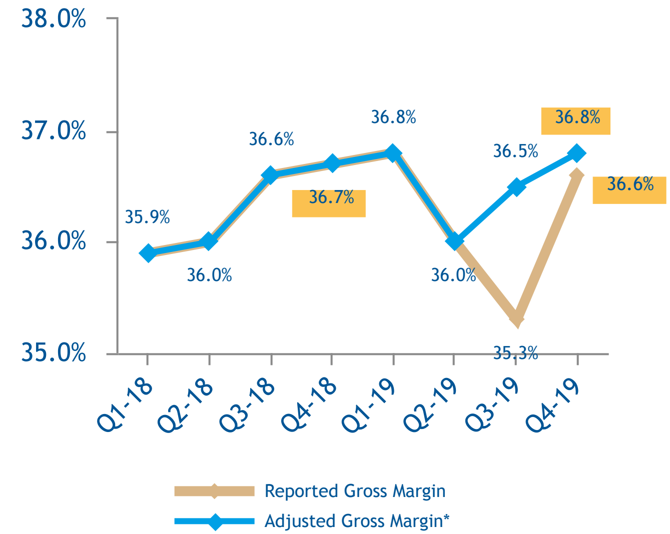
($ in millions)	2019	2018	Change F/(U)	% of Revenue 2019	% of Revenue 2018
Total Revenue	$1,425	$1,426	n/m		
Gross Margin	$521	$523	n/m	36.6%	36.7%
Adjusted Gross Margin*	$524	$523	n/m	36.8%	36.7%
Operating Expenses	$417	$419	n/m	29.3%	29.4%
Other (Expense), net	$(1)	$(6)			
Segment EBITDA[1]	$108	$107	0.9%	7.6%	7.5%
Transformation Expenses	$4	$0			
Segment EBITDA[1] excluding Transformation Expenses[2]	$112	$107	4.5%	7.9%	7.5%

(1) Segment EBITDA for each respective 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 respective segment.
(2) Transformation expenses are period costs to execute the 1 LKQ Europe program that are expected to contribute to ongoing benefits to the business (e.g. non-capitalized implementation costs related to a common ERP system). These expenses are recorded in Selling, general and administrative expenses.

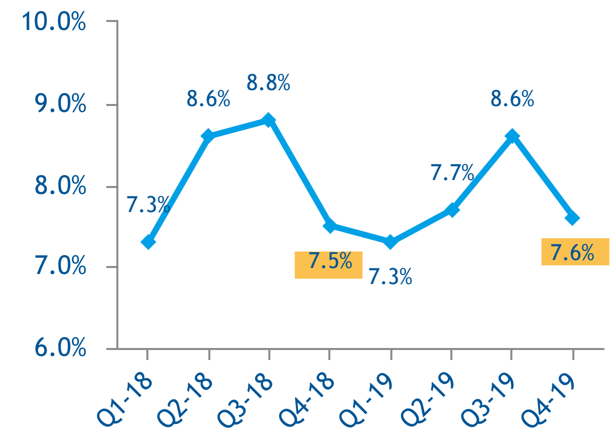
Europe Segment EBITDA Margin Bridge



Gross Margin



Segment EBITDA Margin



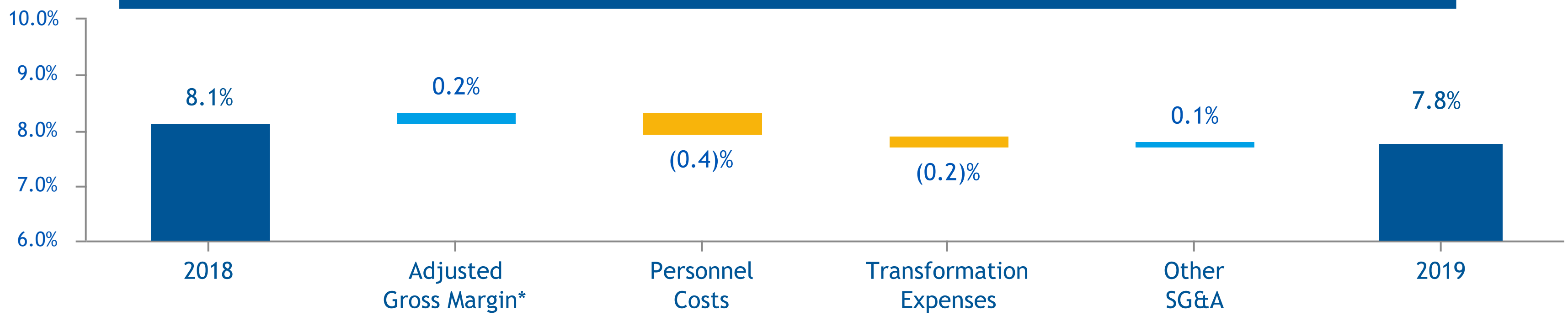
Note: In the table above, the sum of the individual percentages may not equal the total due to rounding
*Adjusted Gross Margin is a non-GAAP measure. Refer to Appendix 7 for Reconciliation of Gross Margin to Adjusted Gross Margin. Reported Gross Margin % decline of 0.1% was negatively impacted by 0.2% for COGS related restructuring expenses which are excluded from the bridge above

Europe – 2019 Results

($ in millions)	2019	2018	Change F/(U)	% of Revenue 2019	% of Revenue 2018
Total Revenue	$5,838	$5,222	11.8%		
Gross Margin	$2,112	$1,896	11.4%	36.2%	36.3%
Adjusted Gross Margin*	$2,132	$1,896	12.4%	36.5%	36.3%
Operating Expenses	$1,685	$1,484	(13.5)%	28.9%	28.4%
Other (Expense), net	$(1)	$(6)			
Segment EBITDA(1)	$454	$423	7.5%	7.8%	8.1%
Transformation Expenses	$14	$3			
Segment EBITDA(1) excluding Transformation Expenses(2)	$468	$426	10.0%	8.0%	8.1%
Branches	1,093	1,102	(9)		

(1) Segment EBITDA for each respective 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 respective segment.
(2) Transformation expenses are period costs to execute the 1 LKQ Europe program that are expected to contribute to ongoing benefits to the business (e.g. non-capitalized implementation costs related to a common ERP system). These expenses are recorded in Selling, general and administrative expenses.

Europe Segment EBITDA Margin Bridge



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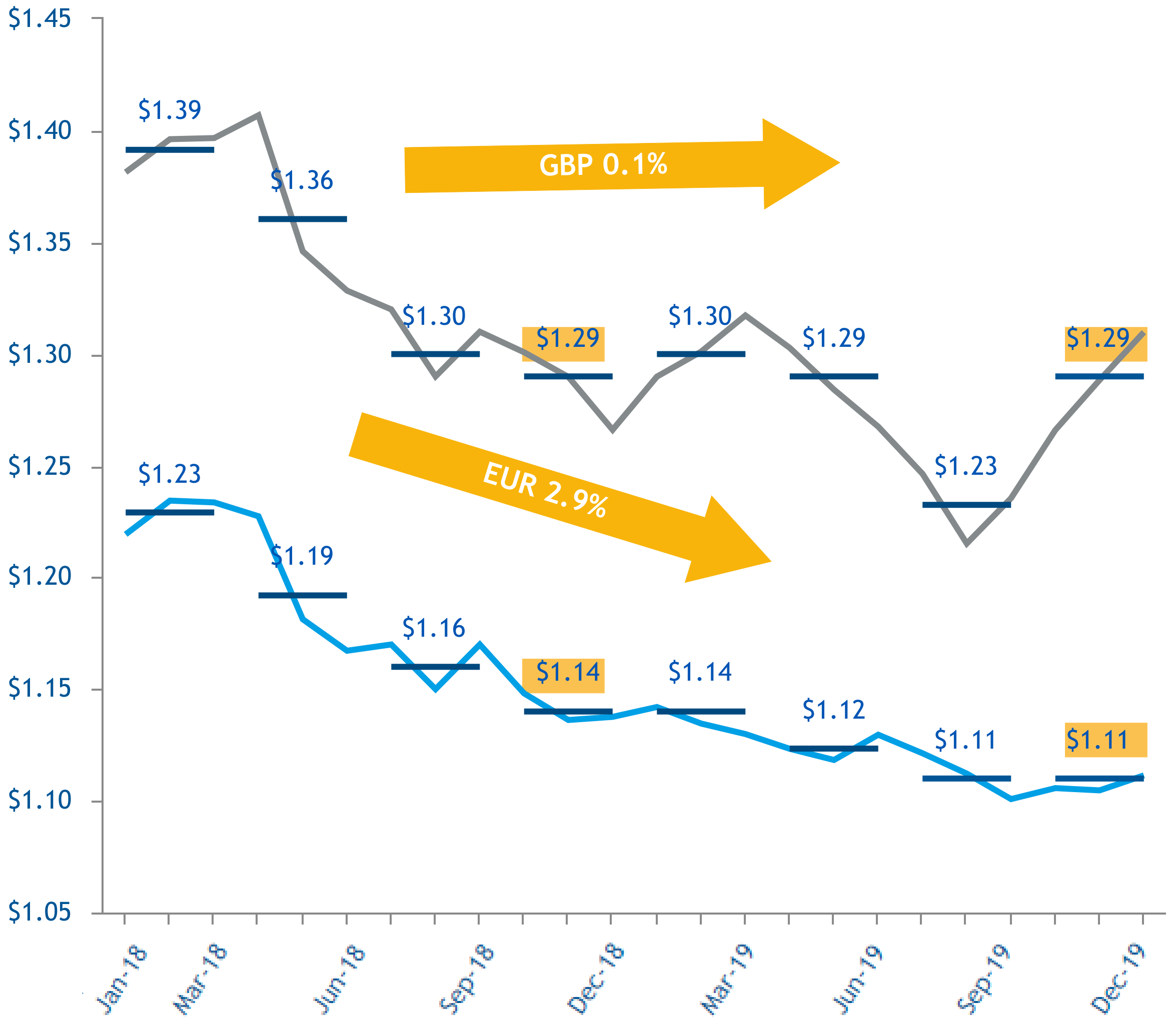
Foreign Exchange



- £ flat Q4 2019 vs Q4 2018
- € down 2.9% Q4 2019 vs Q4 2018
- $28 million unfavorable impact of translation of weaker Q4 rates relative to the US dollar on European parts and services revenue growth
- European constant currency[(1)] parts and services revenue growth YoY of 1.9% in Q4 2019 and 16.4% for 2019
- Foreign exchange negative impact:
    - Q4 2019 of ($0.01); Adjusted EPS of ($0.02)
    - Full year 2019 of ($0.03); Adjusted EPS of ($0.05)

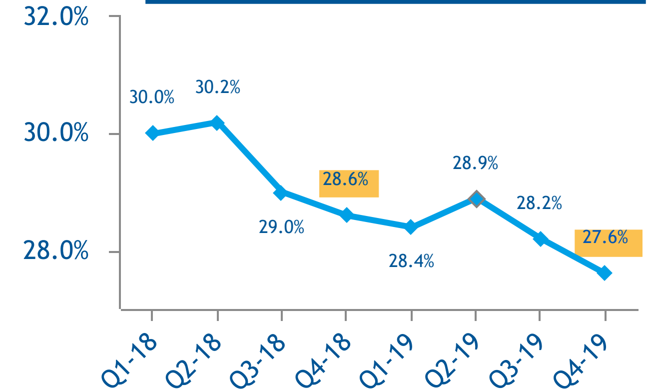
(1) Constant currency is a non-GAAP financial measure. Refer to Appendix 1 for constant currency reconciliation.

Specialty - Q4 2019 Results

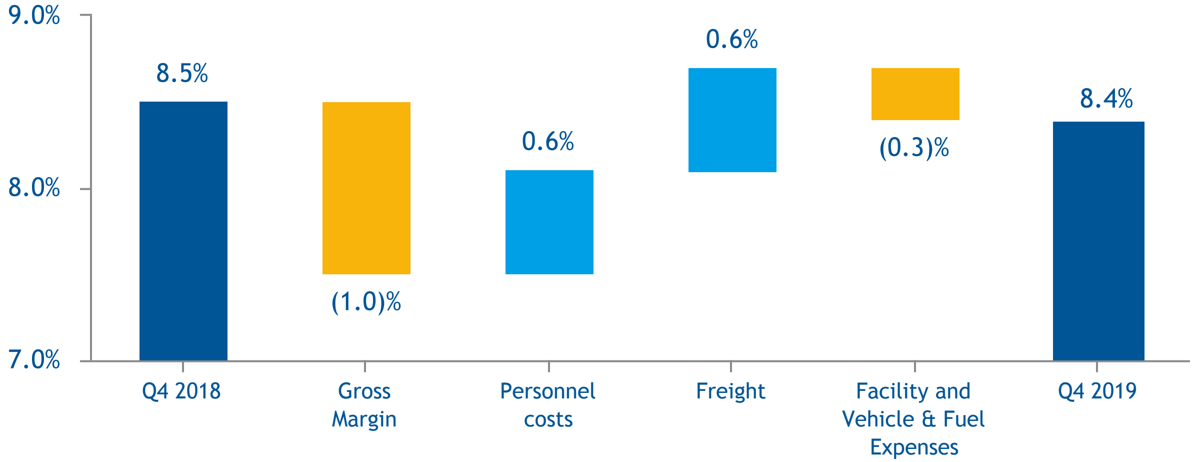
($ in millions)	2019	2018	Change F/(U)	% of Revenue 2019	% of Revenue 2018
Total Revenue	$303	$323	(6.1)%		
Gross Margin	$84	$92	(9.2)%	27.6%	28.6%
Operating Expenses	$59	$65	8.4%	19.6%	20.1%
Segment EBITDA[(1)]	$25	$28	(7.8)%	8.4%	8.5%

(1) Segment EBITDA for each respective 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 respective segment.

Gross Margin

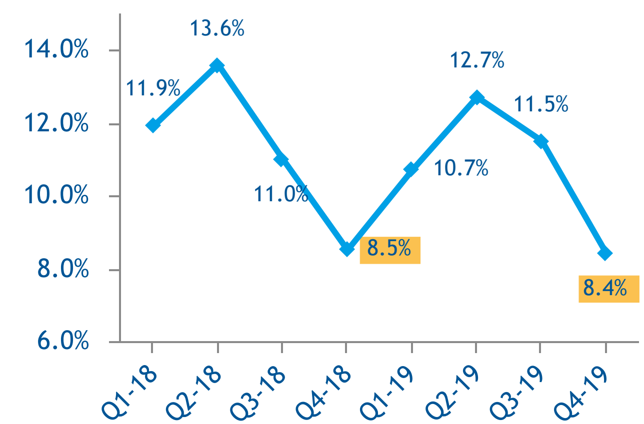


Specialty Segment EBITDA Margin Bridge



Note: In the table above, the sum of the individual percentages may not equal the total due to rounding

Segment EBITDA Margin

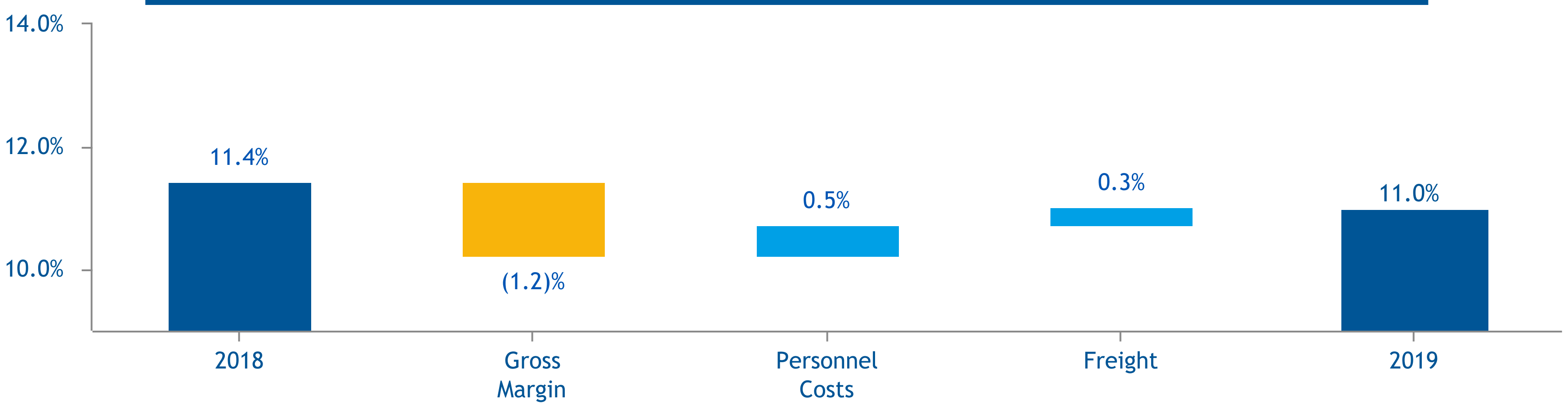


Specialty - 2019 Results

($ in millions)	2019	2018	Change F/(U)	% of Revenue 2019	% of Revenue 2018
Total Revenue	$1,464	$1,478	(0.9)%		
Gross Margin	$415	$436	(4.8)%	28.3%	29.5%
Operating Expenses	$257	$270	4.6%	17.6%	18.2%
Other Income, net	$1	$1			
Segment EBITDA[1]	$161	$169	(4.4)%	11.0%	11.4%

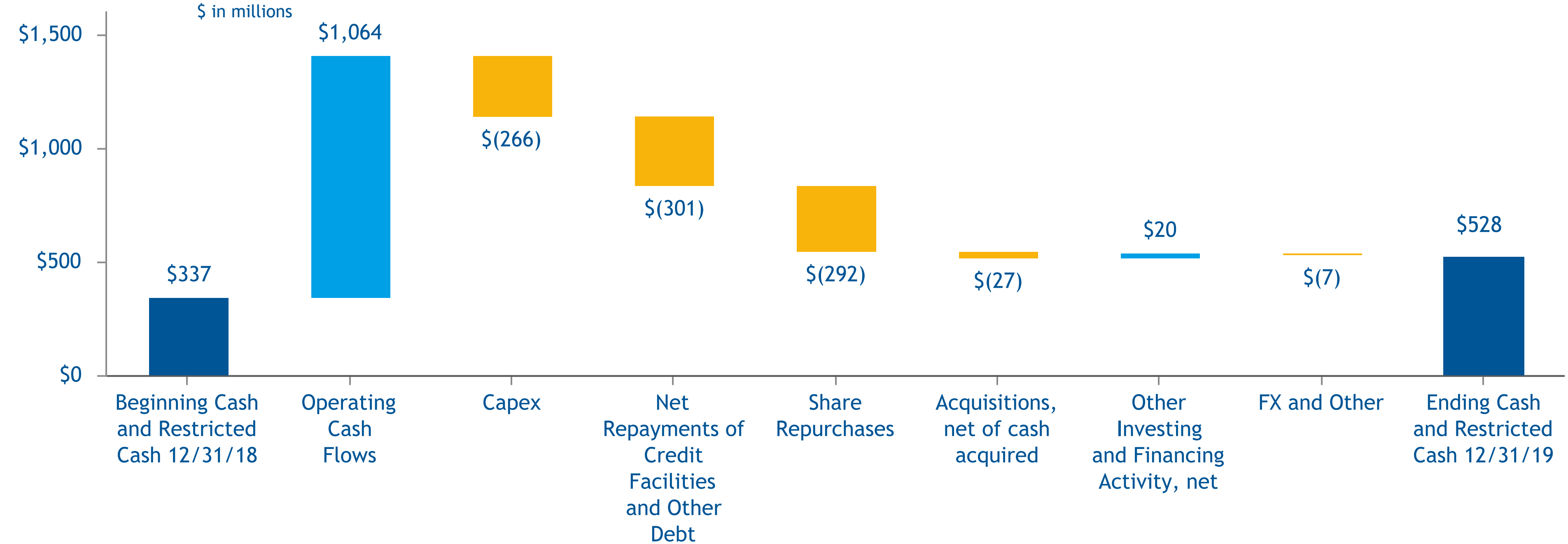
(1) Segment EBITDA for each respective segment is a GAAP measure, while total Segment EBITDA is a non-GAAP measure. Refer to Appendix 3 for total Segment EBITDA reconciliation and Appendix 2 for the breakout of Segment EBITDA for each respective segment.

Specialty Segment EBITDA Margin Bridge



Note: In the table above, the sum of the individual percentages may not equal the total due to rounding

2019 Capital Allocation

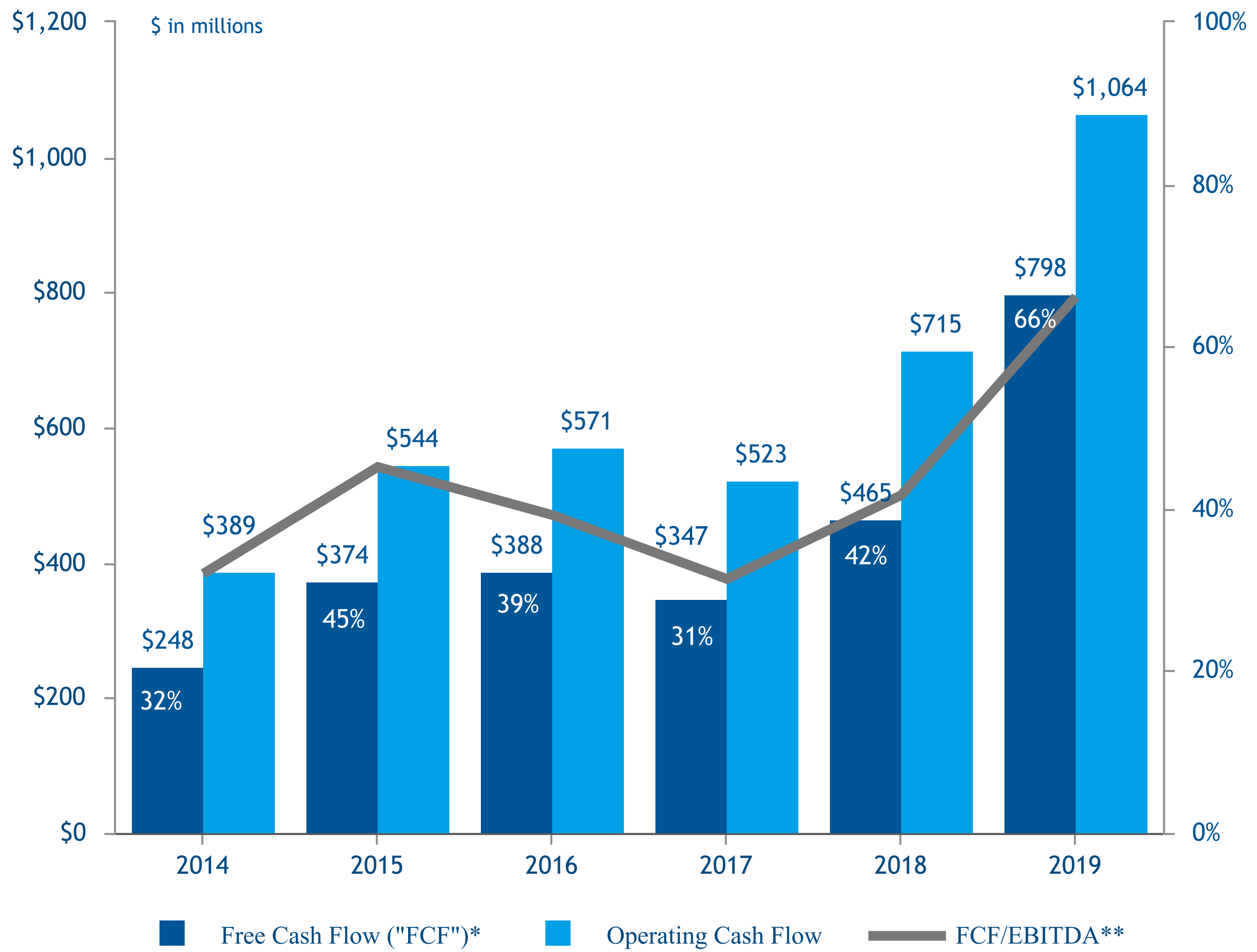


- Operating cash flows:
  - Operating cash flows of $1.1 billion represent a $353 million year over year increase, primarily driven by a $250 million decrease in trade working capital (inventory by $143 million, receivables by $26 million and payables by $81 million) compared to prior year

- Investing cash flows:
  - Capex of $266 million vs. $250 million in 2018
  - Cash paid for acquisitions of $27 million; fair value of acquisitions of $63 million includes notes and other payables issued with the acquisitions
  - Includes $18 million of business disposal proceeds and $16 million of proceeds on sale of fixed assets

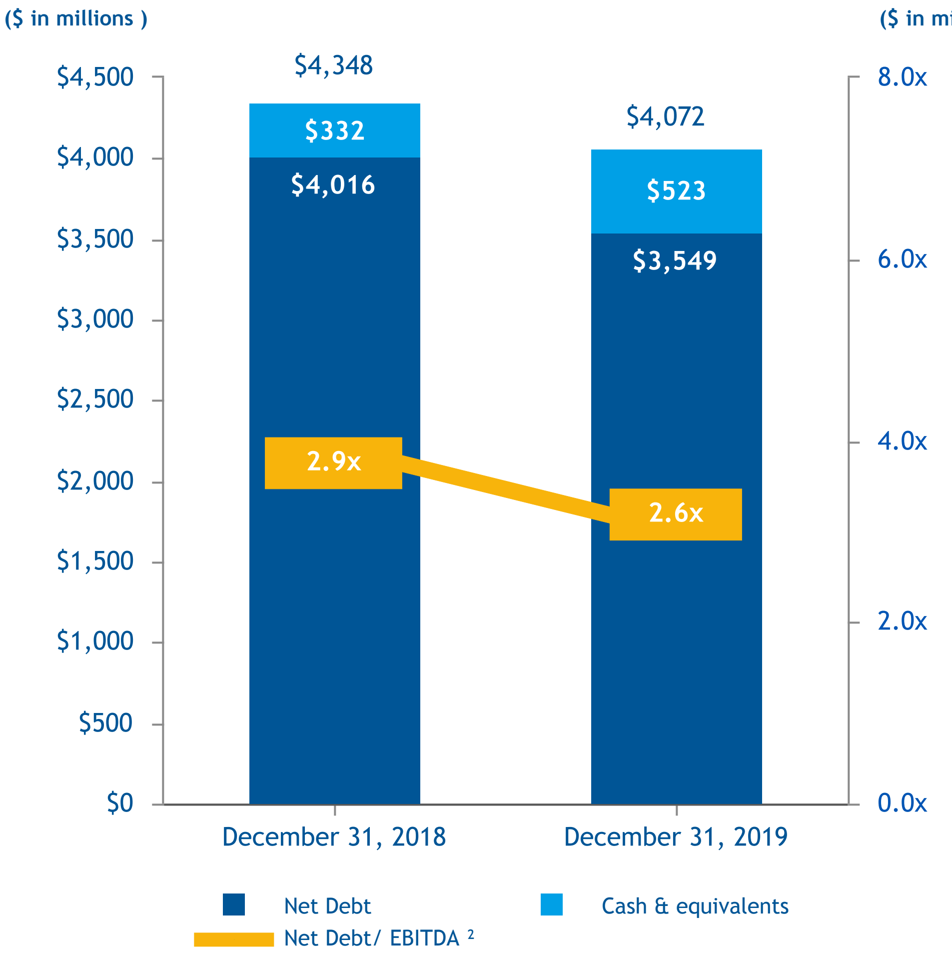
- Financing cash flows
  - $301 million of net repayments on our borrowings
  - $292 million in share repurchases
  - $11 million paid to minority shareholders to acquire their interest or pay dividends

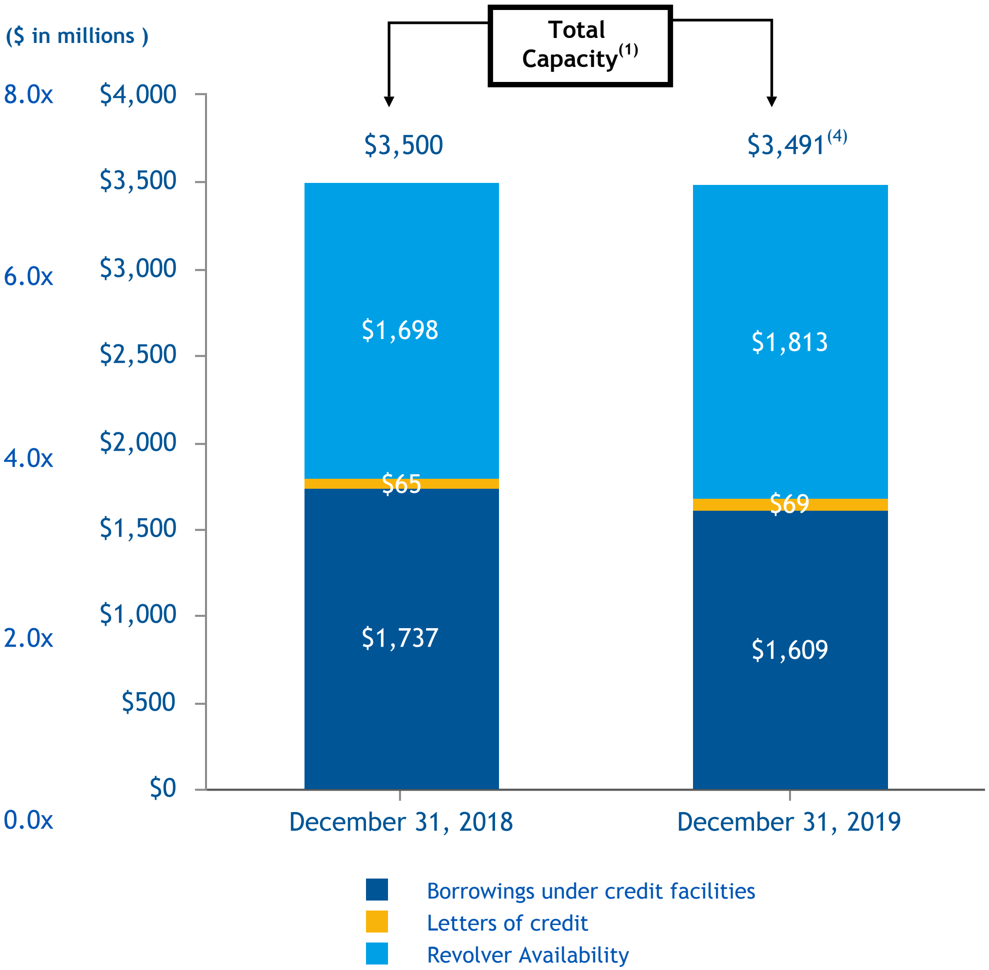
Free Cash Flow



Note: FCF amounts only include FCF generated by continuing operations
* Free Cash Flow is a non-GAAP measure. Refer to Appendix 6 for Free Cash Flow reconciliation
** EBITDA is a non-GAAP measure. Refer to Appendix 3 for EBITDA reconciliation

Leverage & Liquidity

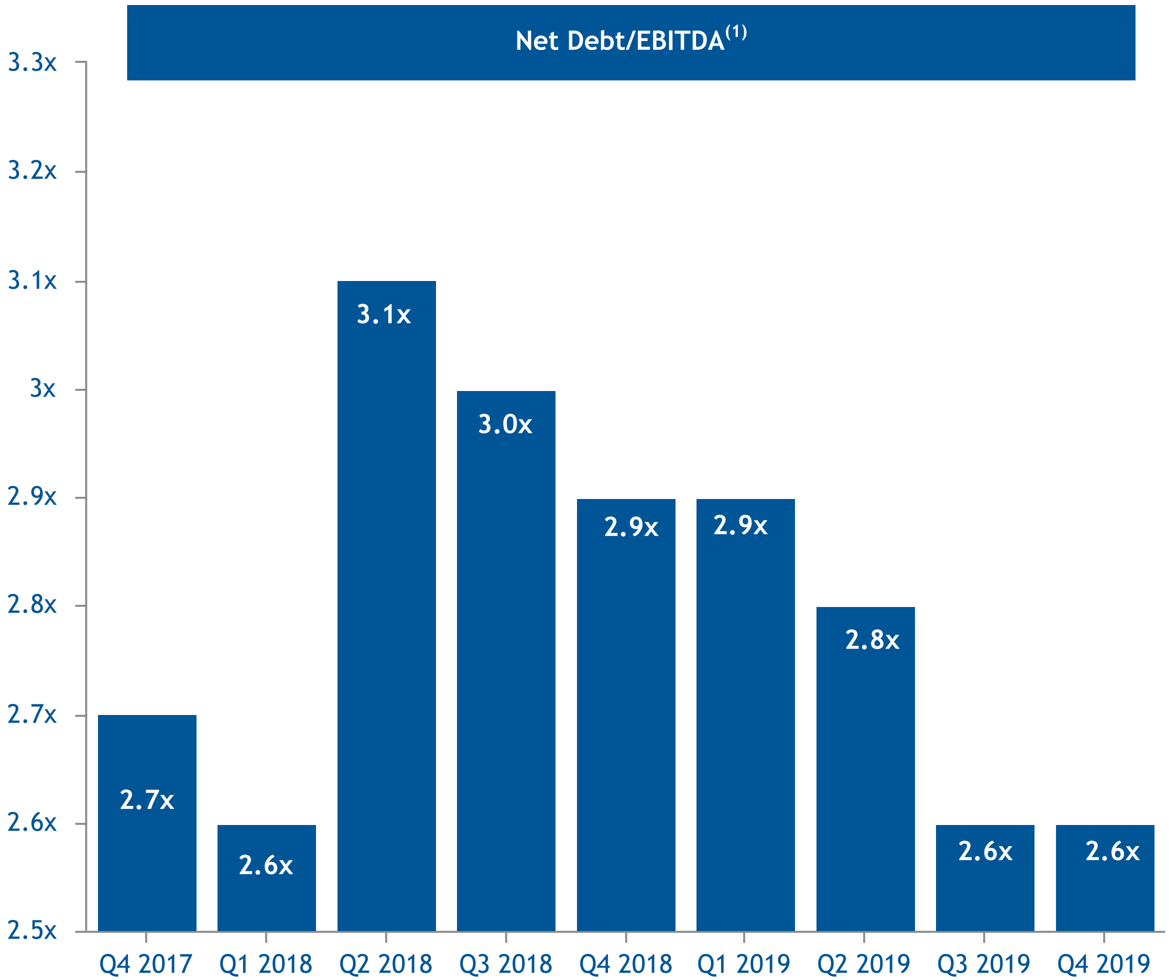




Effective borrowing rate for Q4 2019 was 3.3%[3]

(1) Total capacity includes our term loans and revolving credit facilities
(2) Net leverage per bank covenants is defined as Net Debt/EBITDA. See the definitions of Net Debt and EBITDA in the credit agreement filed with the SEC for further details
(3) Including our interest rate swaps, approximately 85% of our outstanding debt at December 31, 2019 is effectively at a fixed interest rate
(4) Borrowed roughly $300 million on the revolver in January 2020 to fund a portion of the $600 million U.S. notes redemption; remainder funded with other debt and approximately $200 million in cash

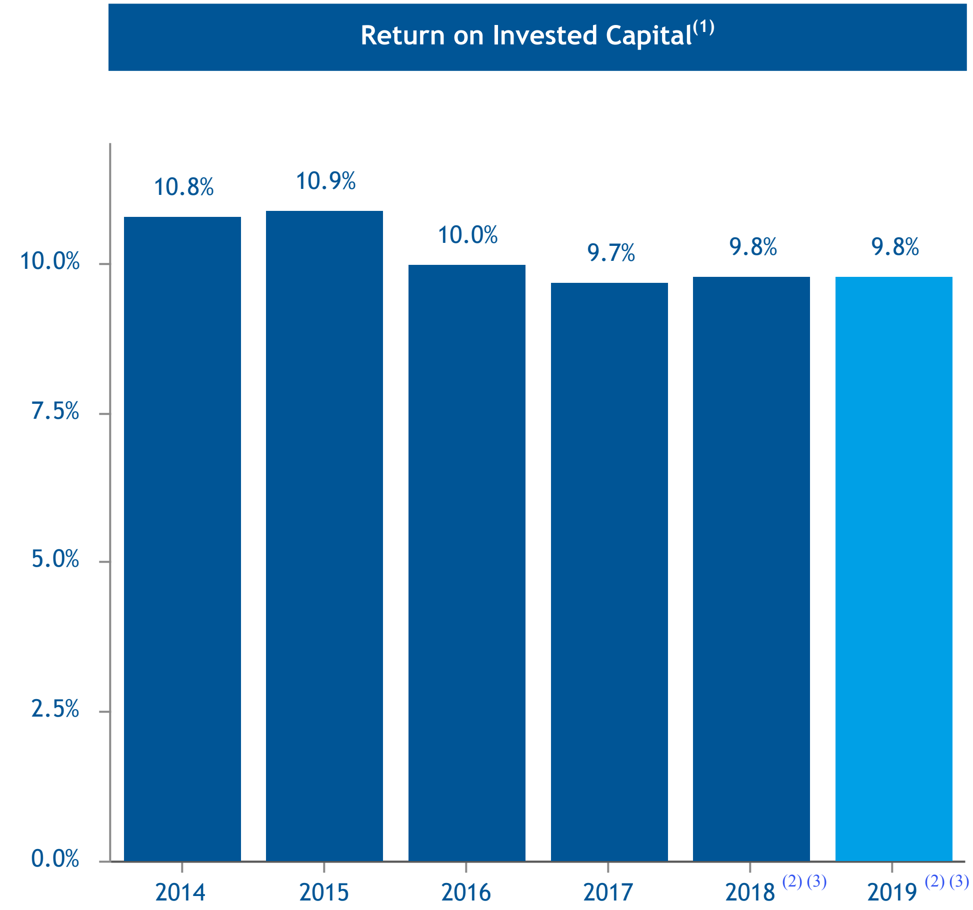
Net Leverage Trend



- Net Debt/EBITDA increased in Q2 2018 due to the Stahlgruber acquisition
- Strong cash flow generation has allowed us to reduce our net leverage to pre-Stahlgruber levels
- Able to de-lever while also repurchasing $292 million in LKQ stock in 2019

(1) Net leverage per bank covenants is defined as Net Debt/EBITDA. See the definitions of Net Debt and EBITDA in the credit agreement filed with the SEC for further details

Return on Invested Capital



(1) Amortization of acquired intangibles and lease obligations have been excluded from the calculation of Return on Invested Capital
(2) All income, transaction costs, capital and equity related to Stahlgruber GmbH are excluded from Q2 2018 to Q2 2019
(3) 2018 and 2019 exclude the effect of the Mekonomen and other impairment charges on income

Guidance 2020

(effective only on the date issued: February 20, 2020)

($ in millions except for EPS)	Full Year 2019 Actual [1]	Full Year 2020 Guidance[1][2]
Organic Growth, Parts and Services	0.3%	0.50% - 2.50%
Net Income attributable to LKQ stockholders	$541	$678 - $714
Adjusted Net Income attributable to LKQ stockholders[3]	$736	$757 - $793
Diluted EPS attributable to LKQ stockholders	$1.74	$2.20 - $2.32
Adjusted Diluted EPS attributable to LKQ stockholders[3]	$2.37	$2.46 - $2.58
Cash Flow from Operations	$1,064	$1,000 - $1,150
Capital Expenditures	$266	$250 - $300

(1) All actual and guidance figures are for continuing operations with the exception of cash flow from operations.

(2) Guidance for 2020 is based on current conditions and excludes the impact of restructuring and acquisition related expenses, impairment charges, excess tax benefits and deficiencies from stock based payments, amortization expense related to acquired intangibles, and gains and losses on debt extinguishment. In addition, it excludes gains or losses (including changes in fair value of contingent consideration liabilities) and capital spending related to acquisitions or divestitures, and assumes no material disruptions associated with the United Kingdom's recent announcement of its exit from the European Union or with the global supply-chain from the coronavirus outbreak or other significant geopolitical events. Our forecasted results for our international operations were calculated using current foreign exchange rates for the remainder of the year. Guidance for 2020 includes a global effective tax rate of 27.5%. Full year 2019 actual figures for adjusted net income and adjusted diluted EPS were calculated using the same methodology as the 2020 guidance. Organic revenue guidance refers only to parts and services revenue. LKQ updated its guidance on February 20, 2020, and it is only effective on the date of issuance. It is LKQ's policy to comment on its annual guidance only when the company issues its quarterly press releases with financial results. LKQ has no obligation to update this guidance.

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

LKQ's Business Model Supports Sustainable Growth in all Macro Environments

Select North American Brands

LKQ — Quality Recycled Auto Parts. Guaranteed.™

Keystone — An LKQ Company

Keystone Automotive Operations, Inc.

PGW autoglass "MORE THAN GLASS"™

- Non-Discretionary Niche and Fragmented Markets
- High Fulfillment Rates
- Operating Leverage and Synergy Opportunities
- Sustainable Growth and Margin Expansion
- Attractive Adjacent Markets
- Industry Leading Management

LKQ Corporation

Select European Brands

STAHLGRUBER IMMER MOBIL

RHIAG GROUP

euro CAR PARTS — An LKQ Company

FOURCE

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 growth for Parts & Services to constant currency revenue growth for the same measure:

	Three Months Ended December 31, 2019		Year Ended December 31, 2019	
	Consolidated	Europe	Consolidated	Europe
Parts & Services				
Revenue growth as reported	0.1%	(0.1)%	5.7%	11.8%
Less: Currency impact	(1.0)%	(2.0)%	(2.2)%	(4.6)%
Revenue growth at constant currency	1.1%	1.9%	7.9%	16.4%

We have presented the growth of our revenue 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-named 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 December 31[1] 2019	% of revenue	2018	% of revenue	Year Ended December 31[1] 2019	% of revenue	2018	% of revenue
Revenue								
North America	$1,283		$1,255		$5,209		$5,183	
Europe	1,425		1,426		5,838		5,222	
Specialty	303		323		1,464		1,478	
Eliminations	(1)		(1)		(5)		(5)	
Total Revenue	$3,010		$3,003		$12,506		$11,877	
Segment EBITDA								
North America	$180	14.0%	$153	12.2%	$713	13.7%	$660	12.7%
Europe	108	7.6%	107	7.5%	454	7.8%	423	8.1%
Specialty	25	8.4%	28	8.5%	161	11.0%	169	11.4%
Total Segment EBITDA	$313	10.4%	$288	9.6%	$1,328	10.6%	$1,251	10.5%

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 EBITDA excluding restructuring and acquisition related expenses (which includes restructuring expenses recorded in Cost of goods sold), 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, and impairment charges. EBITDA, which is the basis for Segment EBITDA, is calculated as net income, less net income (loss) attributable to continuing and discontinued noncontrolling interest, excluding discontinued operations and discontinued noncontrolling interest, depreciation, amortization, interest (which includes gains and losses on debt extinguishment) and income tax expense. 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 EBITDA and Segment EBITDA.

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

Appendix 3 -
Reconciliation of Net Income to EBITDA and Segment EBITDA

(in millions)	Three Months Ended December 31[1] 2019	2018	Year Ended December 31[1] 2019	2018
Net income	$141	$38	$545	$483
Subtract:				
Net income attributable to continuing noncontrolling interest	0	2	3	3
Net income attributable to discontinued noncontrolling interest	0	—	1	—
Net income attributable to LKQ stockholders	$140	$36	$541	$480
Subtract:				
Net income (loss) from discontinued operations	0	(4)	2	(4)
Net income attributable to discontinued noncontrolling interest	(0)	—	(1)	—
Net income from continuing operations attributable to LKQ stockholders	$140	$40	$541	$485
Add:				
Depreciation and amortization	77	78	291	274
Depreciation and amortization - cost of goods sold	5	5	21	20
Depreciation and amortization - restructuring expenses - cost of goods sold	0	—	0	—
Depreciation and amortization - restructuring expenses	1	—	2	—
Interest expense, net of interest income	32	37	136	145
Loss (gain) on debt extinguishment	—	1	(0)	1
Provision for income taxes	50	35	215	191
EBITDA	$307	$197	$1,206	$1,116
Subtract:				
Equity in earnings (losses) of unconsolidated subsidiaries	1	(46)	(32)	(64)
Fair value loss on Mekonomen derivative instrument	—	(8)	—	(5)
Gain due to resolution of acquisition related matter	12	—	12	—
Gains on bargain purchases and previously held equity interests	1	2	1	2
Add:				
Restructuring and acquisition related expenses [2]	15	6	35	32
Restructuring expenses - cost of goods sold	4	—	21	—
Inventory step-up adjustment - acquisition related	—	—	—	0
Impairment of net assets held for sale and goodwill	2	33	47	36
Change in fair value of contingent consideration liabilities	0	0	0	(0)
Segment EBITDA	$313	$288	$1,328	$1,251
Net income from continuing operations attributable to LKQ stockholders as a percentage of revenue	4.7%	1.3%	4.3%	4.1%
EBITDA as a percentage of revenue	10.2%	6.6%	9.6%	9.4%
Segment EBITDA as a percentage of revenue	10.4%	9.6%	10.6%	10.5%

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

(2) Excludes $1 million and $2 million for the three months and year ended December 31, 2019, respectively, of depreciation expense that is reported in Restructuring and acquisition related expenses.

Appendix 3 - EBITDA and Segment EBITDA Reconciliation

We have presented EBITDA solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate our operating performance and the value of our business. We calculate EBITDA as net income, less net income (loss) attributable to continuing and discontinued noncontrolling interest, excluding discontinued operations and discontinued noncontrolling interest, depreciation, amortization, interest (which includes gains and losses on debt extinguishment) and income tax expense. EBITDA provides insight into our profitability trends and allows management and investors to analyze our operating results with the impact of continuing noncontrolling interest and without the impact of discontinued noncontrolling interest, discontinued operations, depreciation, amortization, interest (which includes gains and losses on debt extinguishment) and income tax expense. We believe EBITDA is used by investors, securities analysts and other interested parties in evaluating the operating performance and the value of other companies, many of which present EBITDA when reporting their results.

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 EBITDA excluding restructuring and acquisition related expenses (which includes restructuring expenses recorded in Cost of goods sold), 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, and impairment charges. 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. 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.

EBITDA and Segment EBITDA should not be construed as alternatives 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 EBITDA or Segment EBITDA information calculate EBITDA or Segment EBITDA 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 - Reconciliation of Net Income and EPS to Adjusted Net Income and Adjusted EPS from Continuing Operations

(in millions, except per share data)	Three Months Ended December 31[1)]		Year Ended December 31[(1)]	
	2019	2018	2019	2018
Net income	$141	$38	$545	$483
Subtract:				
Net income attributable to continuing noncontrolling interest	0	2	3	3
Net income attributable to discontinued noncontrolling interest	0	—	1	—
Net income attributable to LKQ stockholders	$140	$36	$541	$480
Subtract:				
Net income (loss) from discontinued operations	0	(4)	2	(4)
Net income attributable to discontinued noncontrolling interest	(0)	—	(1)	—
Net income from continuing operations attributable to LKQ stockholders	$140	$40	$541	$485
Adjustments - continuing operations attributable to LKQ stockholders:				
Amortization of acquired intangibles	31	38	125	127
Restructuring and acquisition related expenses	16	6	37	32
Restructuring expenses - cost of goods sold	4	—	21	—
Inventory step-up adjustment - acquisition related	—	—	—	0
Change in fair value of contingent consideration liabilities	0	0	0	(0)
Gains on bargain purchases and previously held equity interests	(1)	(2)	(1)	(2)
Loss (gain) on debt extinguishment	—	1	(0)	1
Gain due to resolution of acquisition related matter	(12)	—	(12)	—
Impairment of net assets held for sale and goodwill	2	33	47	36
Impairment of equity method investments	2	48	41	71
Fair value loss on Mekonomen derivative instrument	—	8	—	5
U.S. tax law change 2017	—	—	—	(10)
Excess tax benefit from stock-based payments	(1)	(1)	(3)	(5)
Tax effect of adjustments	(14)	(21)	(60)	(49)
Adjusted net income from continuing operations attributable to LKQ stockholders	$167	$151	$736	$691
Weighted average diluted common shares outstanding	307,303	318,510	310,969	315,849
Diluted earnings per share from continuing operations attributable to LKQ stockholders:				
Reported	$0.46	$0.13	$1.74	$1.53
Adjusted	$0.54	$0.48	$2.37	$2.19

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

Appendix 4 - Reconciliation of Net Income and EPS to Adjusted Net Income and Adjusted EPS from Continuing Operations

We have presented Adjusted Net Income and Adjusted Diluted Earnings per Share from Continuing Operations Attributable to LKQ Stockholders 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 from Continuing Operations Attributable to LKQ Stockholders as Net Income and Diluted Earnings per Share adjusted to eliminate the impact of continuing and discontinued noncontrolling interest, discontinued operations, restructuring and acquisition related expenses, amortization expense related to all acquired intangible assets, gains and losses on debt extinguishment, the change in fair value of contingent consideration liabilities, other gains and losses related to acquisitions, equity method investments or divestitures, impairment charges, excess tax benefits and deficiencies from stock-based payments, adjustments to the estimated tax reform provisions recorded in 2017 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 and frequency of costs related to acquisitions, management believes that these costs are not normal operating expenses and should be adjusted in our calculation of Adjusted Net Income from Continuing Operations Attributable to LKQ Stockholders. 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 from Continuing Operations Attributable to LKQ Stockholders 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 from Continuing Operations Attributable to LKQ Stockholders 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 Reconciliation[1]

	For the year ending December 31, 2020	
(in millions, except per share data)	Minimum Guidance	Maximum Guidance
Net income from continuing operations attributable to LKQ stockholders	$678	$714
Adjustments:		
Amortization of acquired intangibles	96	96
Loss on debt extinguishment	13	13
Tax effect of adjustments	(30)	(30)
Adjusted net income from continuing operations attributable to LKQ stockholders	$757	$793
Weighted average diluted common shares outstanding	308	308
Diluted EPS from continuing operations attributable to LKQ stockholders:		
U.S. GAAP	$2.20	$2.32
Non-GAAP (Adjusted)	$2.46	$2.58

We have presented forecasted Adjusted Net Income and forecasted Adjusted Diluted Earnings per Share from Continuing Operations Attributable to LKQ Stockholders in our financial guidance. Refer to the discussion of Adjusted Net Income and Adjusted Diluted Earnings per Share from Continuing Operations Attributable to LKQ Stockholders 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 from Continuing Operations Attributable to LKQ Stockholders, we included estimates of income from continuing operations attributable to LKQ stockholders, amortization of acquired intangibles for the full fiscal year 2020, the loss on debt extinguishment related to the January 2020 redemption of the U.S. Senior Notes and the related tax effect; we did not estimate amounts for any other components of the calculation for the year ending December 31, 2020.

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

Appendix 6 -
Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

	Three Months Ended December 31[1]		Year Ended December 31[1]	
(in millions)	**2019**	**2018**	**2019**	**2018**
Net cash provided by operating activities	$99	$190	$1,064	$711
Less: purchases of property, plant and equipment	100	78	266	250
Free cash flow	$(1)	$111	$798	$461

	Year Ended December 31[1]					
(in millions)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Operating Cash Flows	$389	$544	$635	$519	$711	$1,064
Less: Operating Cash Flows - Discontinued Operations	—	—	64	(4)	(4)	—
Operating Cash Flows from Continuing Operations	$389	$544	$571	$523	$715	$1,064
Capital Expenditures	141	170	207	179	250	266
Less: Capital Expenditures - Discontinued Operations	—	—	24	4	—	—
Continuing Capital Expenditures	$141	$170	$183	$175	$250	$266
Free Cash Flow from Continuing Operations	$248	$374	$388	$347	$465	$798

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. 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 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.

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

Appendix 7 -
Reconciliation of Gross Margin to Adjusted Gross Margin

Consolidated Adjusted Gross Margin	Three Months Ended December 31[1]		Year Ended December 31[1]	
(in millions)	2019	2018	2019	2018
Gross margin	$1,196	$1,162	$4,852	$4,575
Add: Restructuring expenses - cost of goods sold	4	—	21	—
Adjusted gross margin	$1,200	$1,162	$4,873	$4,575
Gross margin %	39.7%	38.7%	38.8%	38.5%
Adjusted gross margin %	39.9%	38.7%	39.0%	38.5%

Europe Adjusted Gross Margin	Three Months Ended December 31[1]		Year Ended December 31[1]	
(in millions)	2019	2018	2019	2018
Gross margin	$521	$523	$2,112	$1,896
Add: Restructuring expenses - cost of goods sold	3	—	20	—
Adjusted gross margin	$524	$523	$2,132	$1,896
Gross margin %	36.6%	36.7%	36.2%	36.3%
Adjusted gross margin %	36.8%	36.7%	36.5%	36.3%

We have presented adjusted gross margin solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate the operating performance of our continuing business across reporting periods and in analyzing our historical operating results. We calculate adjusted gross margin as gross margin plus restructuring expenses recorded in cost of goods sold. Adjusted gross margin provides insight into our operating performance and provides useful information to management and investors concerning our gross margins. We believe adjusted gross margin is used by investors, securities analysts and other interested parties in evaluating the operating performance of other companies, many of which present adjusted gross margin when reporting their results. Adjusted gross margin should not be construed as an alternative to gross margin, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report adjusted gross margin information calculate adjusted gross margin 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.

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