Forward Looking Statements

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, 2015 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.
Mission & Strategic Initiatives

**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.

**Guiding Principles**
- Integrity & Ethics
- Customer First
- Humility
- Team Centric

**Strategic Initiatives**
- Broaden Product Offerings in each segment
- Create Pan European Platform
- Drive Productivity
- Expand & integrate through Acquisition
- Expand E-Commerce Platforms
- Drive Productivity
- Expand & integrate through Acquisition
- Expand E-Commerce Platforms

**Performance Priorities**
- Organic Growth
- Margin Expansion
- Network Leverage
- One-Stop-Shop
- High Fulfilment Rates

GROW LONG TERM REVENUE 10% Annually  
GROW EPS 15% Annually  
ORGANIC REVENUE GROWTH (1) 6% to 8% Annually

(1) Parts & services.
Operating Unit Overview

**North America**
- Collision
  - Aftermarket automotive products
  - Recycled & Refurbished
- Mechanical
  - Recycled engines & transmissions
  - Remanufactured Engines

**Europe**
- Mechanical
  - 175,000+ small part SKUs
  - Brakes, filters, hoses, belts, etc.
- Collision (limited)
  - Aftermarket (UK) & Recycled (Sweden)

**Specialty**
- Performance products
- Appearance & accessories
- RV, trailer & other
- Specialty wheels & tires

**Glass**
- OEM Production and fabrication
- Aftermarket glass distribution
LKQ Credit Highlights

- Market Leader
- Growing Markets
- Diversified Revenue Base
- Demonstrated Performance

Leading Positions in Large Markets
- Largest participant in each market served
- Scale provides purchasing leverage and depth of inventory
- European & Specialty expansion drives diversification
- Opportunities for new locations & adjacent markets remain in all segments

Expanding Alternative Parts Usage
- Increasing availability of quality aftermarket and recycled products
- Distribution network and inventory levels allow higher fulfillment rates
- Expanding number of vehicles comprising “sweet spot” in our target market

Clear Value Proposition
- Insurers focused on controlling repair costs
- Alternative products offer savings of 20% - 50% of OEM parts repairs
- LKQ represents the best partner for the insurance companies

Diversified Revenue Stream
- Global balance with Pan-European footprint
- Multiple end markets
- Broad parts segment exposure
- Self funded growth

Solid Financial Metrics
- History of delivering organic revenue growth & EBITDA expansion
- Strong FCF generation supports growth
- Diversified capital structure
- Limited near-term structured debt repayments & ample liquidity
Operating Segments
Large & Fragmented US Market

Automotive Repair Market
$213 bn

Do It For Me (DIFM)
$165 bn

Collision
$40 bn

Collision Parts
$22 bn

Collision (Wholesale)
$15 bn

Markup
$7 bn

Mechanical
$125 bn

Mechanical Parts
$68 bn

Mechanical (Wholesale)
$46 bn

Markup
$22 bn

Labor
$18 bn

Labor
$57 bn

DIY (1)
$48 bn

Retail Price

Parts & Labor

Market Opportunity – $61 billion


(1) * Do It Yourself ecommerce only.
Collision Products, a $15 Billion Industry

New OEM Manufacturers 64%

Repair Shop

Recycled OEM 12%

Aftermarket 18%

Refurbished & Optional OE Products 6%

Insurance Companies (Indirect Customers)

Alternative parts = 36% of parts costs

Source: CCC Information Services - Crash Course 2015.
## Clear Value Proposition

<table>
<thead>
<tr>
<th></th>
<th>2015 Chrysler Town &amp; Country</th>
<th>2006 Chevrolet Silverado</th>
<th>2012 Chevrolet Malibu</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wheel</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New OEM</td>
<td>$380</td>
<td>$5,896</td>
<td>$335</td>
</tr>
<tr>
<td>Remanufactured</td>
<td>$261</td>
<td>$2,069</td>
<td>$209</td>
</tr>
<tr>
<td>Recycled OEM</td>
<td>$85</td>
<td>$1,090</td>
<td>$175</td>
</tr>
<tr>
<td>New A/M</td>
<td>N/A</td>
<td>N/A</td>
<td>$209</td>
</tr>
<tr>
<td><strong>Average Savings</strong></td>
<td><strong>55%</strong></td>
<td><strong>73%</strong></td>
<td><strong>59%</strong></td>
</tr>
</tbody>
</table>

...and Improved Cycle Time for Repairs

*Note: Parts price only – excludes labor.*
Shift Toward Alternative Parts Usage

Average Parts Used Per Claim

- **OEM**: 2010: 5.8, 2011: 6.4, 2012: 2.1, 2013: 2.8
- **Total**: 2010: 10.9, 2011: 9.2

- **2010**: 10.3% increase
- **2011**: 33.3% increase
- **2012**: 16.4% increase

Over 20 million vehicle claims

Source: CCC Information Services Inc.
Regional Distribution Improves Fulfilment

- Highly fragmented space
- 20X size of next competitor
- Consistent nationwide coverage and warranty
- Strong management team
- Strong logistics & footprint
- Industry leading fill-rates
  - Aftermarket: 95%
  - Salvage
    - Competitor: 25%
    - LKQ Single Site: 35%
    - LKQ Region: 75%
Wholesale North America Footprint
LKQ’s Collision “Sweet Spot” is Growing

Age & Size of U.S. Car Parc

5 year time horizon

Crash Avoidance Systems Growing... But Impact will Be Very Slow

U.S. EIA Energy Outlook 2014 Light Duty Vehicle Sales by Energy Use

Source: CCC Information Services Inc.
Europe - Market Observations

- Large Car Parc
- Fragmented Industry
- “Country Champion” in Key Markets
- Supplier Segmentation
- DIFM Focused
- Low Collision APU
Large European Market

Automotive Repair Market
€198B

Do It For Me (DIFM)
€188B

DIY (1)
€10B

Collision
€30B

Collision Parts
€22B

Mechanical
€158B

Mechanical Parts
€120B

Collision (Wholesale)
€14B

Labor
€8B

Markup
€8B

Mechanical (Wholesale)
€78B

Markup
€42B

Retail Price

Parts & Labor

Market Opportunity - €102 billion

Source: 2014 Datamonitor; Management estimates.
Note: All € in millions; Excludes VAT and sales taxes.
(1) Do It Yourself e-commerce only.
Highly Fragmented with many “Country Champions”

Selected Market Players

- **LKQ**—Central and Eastern Europe, Italy, the Netherlands and the United Kingdom
- **Alliance Automotive**—France, Germany and the United Kingdom
- **Mekonomen**—Denmark, Finland, Norway and Sweden

*Source: Company filings, press releases, FactSet, Orbis and CapitalIQ.*
LKQ’s European Operations

- Leading distributor of automotive aftermarket mechanical parts in the UK
- Nearly 55,000 commercial customers
- 3 National Distribution Centers totaling 1.2M square feet
- 19 regional hubs, 210 branches, 20 paint distribution locations

- Leading distributor of automotive aftermarket mechanical parts in the Benelux
- Proprietary, best-in-class online ordering technology for local distributors & repair shops
- 11 distribution centers & 92 branches

- Rhiag is the leading automotive aftermarket mechanical parts distributor in Italy, The Czech Republic & Slovakia; #2 or #3 position in 6 other countries in Central & Eastern Europe
- Italy & Switzerland distribution networks operate under a 3 step model & Eastern Europe under a 2 step model
- Rhiag utilizes a network of 11 regional HUBs and DC’s and 279 local branches, distributing product to over 57,000 professional customers.

Opportunities for Procurement & Back Office Synergies
LKQ’s European Footprint
Specialty

Specialty Overview

• Leading distributor and marketer of specialty aftermarket equipment, accessories, and products in North America
• Critical link between 800+ suppliers and approximately 20,000 customers selling over 250,000 total SKUs supported by a highly technical sales force
• Diverse product segments: truck and off-road; speed and performance; recreational vehicle; towing; wheels, tires and performance handling; and miscellaneous accessories
• Best-in-class logistics and distribution network with approximately 1,000,000 annual deliveries and ability to serve over 97% of dealer / jobber customers next-day

Specialty Directly Addressable Market (1)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value ($ in billions)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessory and Appearance</td>
<td>$3.13B</td>
<td>28%</td>
</tr>
<tr>
<td>Performance Products</td>
<td>$3.99B</td>
<td>36%</td>
</tr>
<tr>
<td>Wheels, Tires &amp; Suspension</td>
<td>$2.65B</td>
<td>24%</td>
</tr>
<tr>
<td>RV and Towing</td>
<td>$1.37B</td>
<td>12%</td>
</tr>
</tbody>
</table>

Specialty Product Segments:

- Truck & Off-Road
  - Winches
  - Toolboxes
- Wheels and Tires
  - Wheels
  - Tires
- Speed & Performance
  - Air Intakes
  - Superchargers
- RV
  - Awnings
  - Satellites
- Towing
  - Receiver Hitches
  - 5th Wheels
- Accessories
  - Fender Flares
  - Floor Liners

(1) Management estimates based on AAIA Factbook, SEMA and other industry research
Automotive Glass

Market Leading Auto Glass

- Pittsburgh Glass Works LLC ("PGW" or the "Company") is the leading North American manufacturer, supplier and distributor of automotive glass products
  - #1 in OEM with approximately 20 global customers across 78 platforms
  - #2 in aftermarket serving over 7,000 customers
- Worldwide, low-cost manufacturing footprint integrated across global supply chain
- Positioned to capitalize on increased use of innovative, high value applications
- Significant customer overlap with existing collision related activities

Select Automotive Glass Capabilities

Global Manufacturing and Distribution Footprint

(1) Facilities in Mexico and China are partially-owned JVs.
(2) Management’s estimates.
(3) U.S. distributed share.

North American Automotive Glass Competitive Landscape

Market Size: $2.3 billion

<table>
<thead>
<tr>
<th>OEM</th>
<th>Aftermarket</th>
</tr>
</thead>
<tbody>
<tr>
<td>~75%</td>
<td>~22%</td>
</tr>
<tr>
<td>~25%</td>
<td>~78%</td>
</tr>
</tbody>
</table>

Market Size: $1.2 billion
Consistent Business Model and Strategy

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

An LKQ Company
Financial Overview
## Financial Policy

### Focus on Free Cash Flow Generation
- Organic revenue growth of ≥ 6.0%
- Margin expansion in each business
- Working capital management

### Maintain Liquidity
- Cash balances
- Revolver capacity
- Sufficient maturity of bank facility ≥ 18 months
- Term out bank debt with longer dated notes

### Retain Capital in Business
- Capital spending to support organic growth
- Tuck-in acquisitions with synergies
- Larger strategic platform additions where justified while preserving strong balance sheet

### Maintain Reasonable Debt Levels
- Pre-payable debt structure
- Near-term target ~2.5x Net Debt/EBITDA
- Mid-term target ~2x Net Debt/EBITDA

### Manage Interest Rate Risk
- Target 60% of debt with a fixed rate
  - Fixed coupons
  - Interest rate swaps

---

**LKQ’s Business Strength and Financial Metrics Will Evolve into an Investment Grade Profile**
History of Strong Organic Growth

Organic Revenue Growth Rates\(^{(1)}\)

\(^{*}\) As of 9/30/16

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>6.6%</td>
</tr>
<tr>
<td>2011</td>
<td>7.9%</td>
</tr>
<tr>
<td>2012</td>
<td>6.0%</td>
</tr>
<tr>
<td>2013</td>
<td>11.0%</td>
</tr>
<tr>
<td>2014</td>
<td>9.0%</td>
</tr>
<tr>
<td>2015</td>
<td>7.0%</td>
</tr>
<tr>
<td>9M-2016*</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Parts and services only.
LKQ’s Acquisition Philosophies

Strong Brands

- Markets where we can be #1 or #2
- Strong and experienced management
- Opportunities for growth & synergies
- Financial returns
  - IRR (mid-teens over 10 years)
  - ROIC (10 years’ average >10%)
- Integrity
- Criteria in new markets
  - Among the leaders in the market
  - High fulfillment rates
  - Consistent with LKQ culture
  - Excellent management team that will stay post closing
- Criteria in existing markets
  - “Tuck in” companies
  - High synergies
  - Additional capacity
- Substantial experience integrating acquisitions
Historical Financial Performance

Revenue$^{(1)(3)}$

\[
\begin{array}{cccccc}
\text{Year} & 2010 & 2011 & 2012 & 2013 & 2014 & \text{PF 2015} \\
\text{Revenue} & $2,470 & $3,270 & $4,123 & $5,063 & $6,740 & $7,193 & $9,230 \\
\end{array}
\]

Adjusted EBITDA$^{(1)(2)(3)}$

\[
\begin{array}{cccccc}
\text{Year} & 2010 & 2011 & 2012 & 2013 & 2014 & \text{PF 2015} \\
\text{Adjusted EBITDA} & $341 & $424 & $515 & $629 & $791 & $855 & $1,066 \\
\end{array}
\]

Cash Flow/Capex$^{(1)}$

\[
\begin{array}{cccccc}
\text{Operating Cash Flow} & $159 & $212 & $206 & $428 & $371 & $170 \\
\text{Capital Spending} & $61 & $86 & $88 & $90 & $141 & $170 \\
\end{array}
\]

Leverage$^{(4)}$

\[
\begin{array}{cccccc}
\text{Year} & 2010 & 2011 & 2012 & 2013 & 2014 & 2015 & \text{PF 2015} \\
\text{Leverage} & 1.8x & 2.3x & 2.2x & 2.1x & 2.4x & 1.9x & 3.2x \\
\end{array}
\]

---

1. $ in millions
3. Represents (i) LKQ Segment EBITDA and (ii) Adjusted EBITDA as defined by Rhiag and PGW with LTM results further adjusted by LKQ.
4. Debt/Adjusted EBITDA on a reported basis for 2010-2015 and a Pro Forma Basis for 2015 (see footnote 2)
**2016 Consolidated Results**

**Q3 2016**
- Organic growth of parts and services revenue of 3.7%
- Net income $122.7 million Q3 2016 vs. $101.3 million Q3 2015
- Segment EBITDA Margin** 11.5% Q3 2016 vs. 11.3% Q3 2015

**YTD 2016**
- Organic growth of parts and services revenue of 5.1%
- Net income $377.6 million YTD 2016 vs. $328.2 million YTD 2015
- Segment EBITDA Margin** 12.3% YTD 2016 vs. 12.2% YTD 2015

* Revenue in millions
** Refer to Segment EBITDA reconciliation on page 31
### YTD 2016 Revenue Growth

#### Revenue Changes by Source:

<table>
<thead>
<tr>
<th>Source</th>
<th>Organic</th>
<th>Acquisition</th>
<th>Foreign Exchange</th>
<th>Total(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>3.3%</td>
<td>2.0%</td>
<td>(0.3)%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Europe</td>
<td>7.2%</td>
<td>41.1%</td>
<td>(6.3)%</td>
<td>42.0%</td>
</tr>
<tr>
<td>Specialty</td>
<td>7.3%</td>
<td>8.9%</td>
<td>(0.4)%</td>
<td>15.8%</td>
</tr>
<tr>
<td>Glass</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
</tr>
<tr>
<td>Parts and Services</td>
<td>5.1%</td>
<td>24.0%</td>
<td>(2.1)%</td>
<td>27.0%</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>(17.2)%</td>
<td>3.8%</td>
<td>(0.2)%</td>
<td>(13.6)%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.5%</td>
<td>22.6%</td>
<td>(2.0)%</td>
<td>24.2%</td>
</tr>
</tbody>
</table>

- ECP organic revenue growth for parts and services was 7.9%.
- Revenue growth for branches open more than 12 months was 6.3% and collision parts revenue growth was 15.6%.
- Sator organic revenue growth for parts and services was 5.2%.
- Unfavorable F/X impact on European revenue of $95 million; European constant currency parts and services revenue growth of 48.3%(2).
- European acquisition growth represented $619 million, of which $584 million was generated by Rhiag (acquired March 18, 2016).
- Through our acquisition of PGW in Q2 2016, the glass segment was added with YTD revenue of $469 million.
- Specialty acquisition growth reflects Q3 2015 acquisition of Coast.
- Decrease in Other Revenue attributable to lower precious metals pricing and lower volumes due to the sale of our precious metals business late in the second quarter of 2015. Scrap steel prices were 12.9% lower YOY in YTD 2016.

---

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

(2) Refer to constant currency reconciliation on page 30.
2016 Capital Allocation

- Operating cash flows:
  - $560M of cash earnings\(^{(1)}\) in YTD 2016 compared to $446M in YTD 2015
  - $36M cash outflow from operating assets and liabilities due mainly to an $46M increase in receivables and $12M decrease in payables offset by a $27M decrease in inventories
- Acquisitions and other investing activities include $1.8B of cash used to acquire Rhiag and PGW, including $0.5B of Rhiag debt paid off after closing, and $153M related to purchases of property and equipment
- Financing activities include borrowings on our revolving credit facility to fund acquisitions and proceeds from the issuance of our senior notes

\(^{(1)}\) Cash earnings from the cash flow statement equals Net Income plus Depreciation and Amortization plus Stock-based Compensation Expense plus Deferred Income Tax plus Costs Associated with Early Debt Termination plus Gain on Foreign Exchange Contract plus Other
Leverage & Liquidity

Effective borrowing rate for Q3 2016 was 2.9%

(1) Revolver availability includes our term loans and revolving credit facilities

(*) 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.
Key Return Metrics

Return on Equity

Return on Invested Capital*

(*) Amortization of intangibles has been excluded from the calculation of Return of Invested Capital
This presentation contains non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. Included with this presentation 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 and Services to constant currency revenue growth for the same measure:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Consolidated</td>
<td>Europe</td>
</tr>
<tr>
<td>Parts and Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Growth as reported</td>
<td>33.2%</td>
<td>50.8%</td>
</tr>
<tr>
<td>Less: Currency impact</td>
<td>(3.2%)</td>
<td>(10.6%)</td>
</tr>
<tr>
<td>Revenue growth at constant currency</td>
<td>36.4%</td>
<td>61.4%</td>
</tr>
</tbody>
</table>

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 does not reflect our operations. 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- EBITDA and Segment EBITDA Reconciliation

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>% of revenue</th>
<th>% of revenue</th>
<th>% of revenue</th>
<th>% of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>$141.1</td>
<td>13.5%</td>
<td>$128.5</td>
<td>12.4%</td>
</tr>
<tr>
<td>Europe</td>
<td>72.6</td>
<td>9.4%</td>
<td>52.8</td>
<td>10.3%</td>
</tr>
<tr>
<td>Specialty</td>
<td>32.4</td>
<td>10.4%</td>
<td>26.0</td>
<td>9.2%</td>
</tr>
<tr>
<td>Glass</td>
<td>27.8</td>
<td>10.7%</td>
<td>—</td>
<td>nm</td>
</tr>
<tr>
<td><strong>Total Segment EBITDA</strong></td>
<td>$273.8</td>
<td>11.5%</td>
<td>$207.3</td>
<td>11.3%</td>
</tr>
</tbody>
</table>

### Deduct:

- **Restructuring and acquisition related expenses**
  - Q3 2016: 8.4
  - Q3 2015: 4.6
  - YTD 2016: 32.3
  - YTD 2015: 12.7

- **Inventory step-up adjustment - acquisition related**
  - Q3 2016: (0.4)
  - Q3 2015: —
  - YTD 2016: 9.8
  - YTD 2015: —

- **Change in fair value of contingent consideration liabilities**
  - Q3 2016: 0.1
  - Q3 2015: 0.1
  - YTD 2016: 0.2
  - YTD 2015: 0.4

### Add:

- **Equity in earnings of unconsolidated subsidiaries**
  - Q3 2016: 0.3
  - Q3 2015: (1.1)
  - YTD 2016: 0.1
  - YTD 2015: (4.2)

- **Gains on foreign exchange contracts- acquisition related**
  - Q3 2016: —
  - Q3 2015: —
  - YTD 2016: 18.3
  - YTD 2015: —

### EBITDA

<table>
<thead>
<tr>
<th></th>
<th>% of revenue</th>
<th>% of revenue</th>
<th>% of revenue</th>
<th>% of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation and Amortization</strong></td>
<td>59.5</td>
<td>33.0</td>
<td>150.4</td>
<td>94.7</td>
</tr>
<tr>
<td><strong>Interest Expense, Net</strong></td>
<td>27.1</td>
<td>14.7</td>
<td>68.0</td>
<td>44.3</td>
</tr>
<tr>
<td><strong>Loss on debt extinguishment</strong></td>
<td>—</td>
<td>—</td>
<td>26.7</td>
<td>—</td>
</tr>
<tr>
<td><strong>Provision for Income Taxes</strong></td>
<td>56.8</td>
<td>52.5</td>
<td>182.8</td>
<td>177.3</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$122.7</td>
<td>$101.3</td>
<td>$377.6</td>
<td>$328.2</td>
</tr>
</tbody>
</table>

* Loss on debt extinguishment is considered a component of interest in calculating EBITDA

** The sum of the individual components may not equal the total due to rounding.
Appendix 2- 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 excluding depreciation, amortization, interest (which includes loss 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 and without the impact of depreciation, amortization, interest (which includes loss 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. EBITDA should not be construed as an alternative to operating income, net income or net cash provided by (used in) operating activities, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report EBITDA information calculate 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.

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. We calculate Segment EBITDA as EBITDA excluding restructuring and acquisition related expenses, change in fair value of contingent consideration liabilities, other acquisition related gains and losses and equity in earnings of unconsolidated subsidiaries. EBITDA, which is the basis for Segment EBITDA, is calculated as net income excluding depreciation, amortization, interest (which includes loss 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. 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 and administrative expenses are allocated to the segments based on usage, with shared expenses apportioned based on the segment’s percentage of consolidated revenue.
### Appendix 3- Adjusted Net Income and EPS Reconciliation*

<table>
<thead>
<tr>
<th>(in millions, except per share data)</th>
<th>Q3 2016*</th>
<th>Q3 2015*</th>
<th>Q3 2016*</th>
<th>Q3 2015*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$122.7</td>
<td>$101.3</td>
<td>$377.6</td>
<td>$328.2</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring and acquisition related expenses</td>
<td>8.4</td>
<td>4.6</td>
<td>32.3</td>
<td>12.7</td>
</tr>
<tr>
<td>Loss of debt extinguishment</td>
<td>—</td>
<td>—</td>
<td>26.7</td>
<td>—</td>
</tr>
<tr>
<td>Amortization of acquired intangibles</td>
<td>25.0</td>
<td>8.2</td>
<td>58.2</td>
<td>24.7</td>
</tr>
<tr>
<td>Inventory step-up adjustment- acquisition related</td>
<td>(0.4)</td>
<td>—</td>
<td>9.8</td>
<td>—</td>
</tr>
<tr>
<td>Change in fair value of contingent consideration liabilities</td>
<td>0.1</td>
<td>0.1</td>
<td>0.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Gains on foreign exchange contracts- acquisition related</td>
<td>—</td>
<td>—</td>
<td>(18.3)</td>
<td>—</td>
</tr>
<tr>
<td>Excess tax benefit from stock-based payments</td>
<td>(5.0)</td>
<td>—</td>
<td>(11.5)</td>
<td>(13.0)</td>
</tr>
<tr>
<td>Tax effect of adjustments</td>
<td>(11.5)</td>
<td>(4.0)</td>
<td>(37.7)</td>
<td>(13.0)</td>
</tr>
<tr>
<td><strong>Adjusted net income</strong></td>
<td><strong>$139.3</strong></td>
<td><strong>$109.9</strong></td>
<td><strong>$437.2</strong></td>
<td><strong>$353.0</strong></td>
</tr>
</tbody>
</table>

| Weighted average diluted common shares outstanding | 310,036 | 307,728 | 309,671 | 307,326 |
| Diluted earnings per share | $0.40 | $0.33 | $1.22 | $1.07 |
| Adjusted diluted earnings per share | $0.45 | $0.36 | $1.41 | $1.15 |

*The sum of the individual components may not equal the total due to rounding.
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 business across reporting periods and in analyzing the company’s 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 restructuring and acquisition related expenses, loss on debt extinguishment, amortization expense related to acquired intangibles, the change in fair value of contingent consideration liabilities, other acquisition-related gains and losses, 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. These financial measures are used by management in its decision making and overall evaluation of operating performance of the company 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 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 reconciliation*

<table>
<thead>
<tr>
<th>(in millions, except per share data)</th>
<th>Minimum Guidance</th>
<th>Maximum Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$475</td>
<td>$493</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring and acquisition related expenses</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Loss of debt extinguishment</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Amortization of acquired intangibles</td>
<td>83</td>
<td>83</td>
</tr>
<tr>
<td>Inventory step-up adjustment – acquisition related</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Gains on foreign exchange contracts - acquisition related</td>
<td>(18)</td>
<td>(18)</td>
</tr>
<tr>
<td>Excess tax benefit from stock-based payments</td>
<td>(11)</td>
<td>(11)</td>
</tr>
<tr>
<td>Tax effect of adjustments</td>
<td>(47)</td>
<td>(47)</td>
</tr>
<tr>
<td><strong>Adjusted net income</strong></td>
<td><strong>$551</strong></td>
<td><strong>$569</strong></td>
</tr>
<tr>
<td>Weighted average diluted common shares outstanding</td>
<td>310</td>
<td>310</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>$1.53</td>
<td>$1.59</td>
</tr>
<tr>
<td>Adjusted diluted earnings per share</td>
<td>$1.78</td>
<td>$1.84</td>
</tr>
</tbody>
</table>

We have presented forecasted Adjusted Net Income and forecasted Adjusted Diluted Earnings per Share in our financial guidance. Refer to the discussion of Adjusted Net Income and Adjusted Diluted Earnings per Share (Appendix 3) 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 and amortization of acquired intangibles for the full fiscal year 2016; we included for all other components the amounts incurred as of September 30, 2016.

*The sum of the individual components may not equal the total due to rounding.*