Forward Looking Statements & 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 are reconciliations 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.
LKQ’s Evolution

2003
Total Revenue $328 million

2007
Total Revenue $1.11 billion

2011
Total Revenue $3.27 billion

2018 (1)
Total Revenue $11.88 billion

(1) TTM as of 12/31/2018
Operating Unit Overview

North America

- Collision
  - Aftermarket automotive products
  - Automotive glass distribution
  - Recycled & Refurbished

- Mechanical
  - Recycled engines & transmissions
  - Remanufactured engines & transmissions

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
### Historical Financial Performance

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$5,063</td>
<td>$6,740</td>
<td>$7,193</td>
<td>$8,584</td>
<td>$9,737</td>
<td>$11,877</td>
</tr>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td>$629</td>
<td>$791</td>
<td>$855</td>
<td>$1,005</td>
<td>$1,117</td>
<td>$1,251</td>
</tr>
<tr>
<td><strong>Cash Flow/ Capex</strong></td>
<td>$446</td>
<td>$389</td>
<td>$544</td>
<td>$571</td>
<td>$523</td>
<td>$711</td>
</tr>
<tr>
<td><strong>Net Leverage</strong></td>
<td>1.8x</td>
<td>2.2x</td>
<td>1.8x</td>
<td>3.1x</td>
<td>2.8x</td>
<td>2.9x</td>
</tr>
</tbody>
</table>

(*) Net leverage is calculated as total debt, excluding the impact of capitalized debt issuance costs, less cash. Accounts reflect continuing operations only.
Consolidated Results - Continuing Operations

**Q4 2018 Revenue\(^{(1)}\)**

- Organic growth of parts and services revenue of 2.5% on a reported basis
- Net income from continuing operations attributable to LKQ stockholders $40 million (1.3% of revenue) Q4 2018 vs. $126 million (5.1% of revenue) Q4 2017 (Q4 2018 includes impairment charges totaling $75 million after tax)
- Segment EBITDA\(^{(2)}\) of $288 million; up 13.6% YOY
- Segment EBITDA Margin\(^{(2)}\) 9.6% Q4 2018 vs. 10.3% Q4 2017

\(^{(1)}\) Revenue in millions
\(^{(2)}\) Segment EBITDA is a non-GAAP financial measure. Refer to Segment EBITDA reconciliation on Appendix 3

**2018 Revenue\(^{(1)}\)**

- Organic growth of parts and services revenue of 4.4% on a reported basis
- Net income from continuing operations attributable to LKQ stockholders $485 million (4.1% of revenue) 2018 vs. $540 million (5.6% of revenue) 2017 (2018 includes impairment charges of $97 million after tax)
- Segment EBITDA\(^{(2)}\) of $1.25 billion; up 12.1% YOY
- Segment EBITDA Margin\(^{(2)}\) 10.5% 2018 vs. 11.5% 2017

\(^{(1)}\) Revenue in millions
\(^{(2)}\) Segment EBITDA is a non-GAAP financial measure. Refer to Segment EBITDA reconciliation on Appendix 3
Consolidated Results - Continuing Operations

Q4 2018 EPS\(^{(1)}\)

- Diluted EPS: $0.41 (Q4 2017) vs. $0.13 (Q4 2018), down 71.3%
- Adjusted Diluted EPS\(^{(2)}\): $0.41 (Q4 2017) vs. $0.48 (Q4 2018), up 17.1%

2018 EPS\(^{(1)}\)

- Diluted EPS: $1.74 (2017) vs. $1.53 (2018), down 12.1%
- Adjusted Diluted EPS\(^{(2)}\): $1.88 (2017) vs. $2.19 (2018), up 16.5%

(1) Earnings per share figures refer to 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.
Trade Working Capital & Free Cash Flow

Trade Working Capital\(^{(1)(2)}\)

- 2017: 26.4%
- 2018: 23.9%

250 bps

Free Cash Flow (FCF)

- 2017:
  - FCF: $519
  - CAPEX: $179
  - Total: $340

- 2018:
  - FCF: $711
  - CAPEX: $461

37.0%

35.6%

\(^{(1)}\)Trade Working Capital as % of TTM Proforma Revenue

\(^{(2)}\)Trade Working Capital consists of Receivables, net, plus Inventory less Accounts Payable

Proforma Revenue includes the full year from acquired businesses in the year of acquisition.
## Revised Executive Compensation

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Cash Incentive</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adjusted Diluted EPS</td>
<td>EBITDA</td>
</tr>
<tr>
<td><strong>Long Term Incentive Plan</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organic Revenue Growth</td>
<td>Organic Revenue Growth</td>
</tr>
<tr>
<td></td>
<td>Adjusted Diluted EPS</td>
<td>Adjusted Diluted EPS</td>
</tr>
<tr>
<td></td>
<td>ROE</td>
<td>ROIC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Executive’s 3-year long-term incentive plan is now 50% RSUs &amp; 50% Cash</td>
</tr>
</tbody>
</table>
Key Strategic Underpinnings

**GEAR Forward!**

**GROW**
- Diversified Offerings

**EXPAND**
- Global Footprint

**ADAPT**
- To Evolving Technology

**RATIONALIZE**
- Asset Base

Path to Success:
- DEPENDABLE
- EXCELLENCE
- LEADERSHIP
- INTEGRITY
- VALUE
- EFFICIENT
- RESPONSIVE
Operating Segments
Large & Fragmented US Market

Automotive Repair Market
$243 bn

Do It For Me (DIFM)
$194 bn

DIY
$49 bn

Collision
$46 bn

Collision Parts
$25 bn

Labor
$21 bn

Collision (Wholesale)
$17 bn

Markup
$8 bn

Mechanical
$148 bn

Mechanical Parts
$81 bn

Labor
$67 bn

Mechanical (Wholesale)
$54 bn

Markup
$27 bn

Market Opportunity – $71 billion

Wholesale North America Footprint
Collision Products, a $17 Billion Industry

- New OEM Manufacturers: 63%
- Recycled OEM: 12%
- Aftermarket: 19%
- Refurbished & Optional OE Products: 6%
- Alternative parts = 37% of parts costs

Insurance Companies (Indirect Customers)

Source: CCC Information Services - Crash Course 2017
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%
Number of Vehicles in LKQ’s “Sweet Spot”

United States Vehicles in Operation

Source: Experian vehicles in operation as of 9/30/18; SAAR Bank of America Merrill Lynch 1/7/19
Battery electric vehicles have no material impact in North America or Europe operations until well after 2025

- BEV expected to reach less than 3% of the VIO in Europe and less than 2% in the USA
- The mechanical sweet spot is 6 to 14 years; BEV sold this year will be 6 years in 2025
- BEV often use lightweight materials and ADAS sensors increasing the average cost of collision repair

Data based on LKQ Projected Forecasts
Crash Avoidance Systems Growing

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

CCC estimates a 10.3% impact to losses in next 15 years

Source: CCC Information Services Inc.
Large European Market

Automotive Repair Market
€198B

Do It For Me (DIFM)
€188B

DIY (1)
€10B

Retail Price

Collision
€30B

Collision Parts
€22B

Collision (Wholesale)
€14B

Markup
€8B

Labor
€8B

Mechanical
€158B

Mechanical Parts
€120B

Mechanical (Wholesale)
€78B

Markup
€42B

Labor
€38B

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.
### LKQ’s European Platform Acquisitions

<table>
<thead>
<tr>
<th>Date</th>
<th>Details</th>
</tr>
</thead>
</table>
| October 2011 | • Leading distributor of automotive aftermarket mechanical parts in the UK  
• Nearly 55,000 commercial customers  
• 1 National Distribution Center totaling 500K square feet  
• 8 regional hubs, 89 branches |
| April 2013  | • 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 |
| March 2016  | • Leading automotive aftermarket mechanical parts distributor in Italy, The Czech Republic & Slovakia; #2 or #3 position in 6 other countries in Central & Eastern Europe  
• Rhiag utilizes a network of 10 DC’s and 247 local branches, distributing product to over 57,000 professional customers |
| May 2018    | • Leading European wholesale distributor of aftermarket spare parts for passenger cars, tools, capital equipment & accessories with operations in Germany, Eastern Europe, Italy, & Switzerland  
• 188 sales centers & a 128,000 square meter advanced logistics center in Germany |

**Opportunities for Procurement & Back Office Synergies**
STAHLMERBER is a Natural Strategic Fit for LKQ

Source: Company filings and websites; Amounts are approximate.

EUR / PLN exchange rate of 4.21,
EUR / GBP exchange rate of 0.89, EUR / SEK exchange rate of 9.88,
EUR / CHF exchange rate of 1.16.

(1) 2017E Stahlgruber (excluding the Czech Republic)
(2) LKQ acquired 26.5% equity interest in Mekonomen in Dec 2016, FY 2017.
(3) Acquired by GPC in September 2017, estimated.
(4) FY2015 as per company website.
(5) Estimated. Excludes AD Polska revenue.
(6) Per company website, September 2016 TTM.
(7) Acquired by Uni-Select in June 2017, UK GAAP, FY ended 04/30/2017.
Benefits of Scale

• Lower procurement costs
  – OES brands (volume)
  – Private label brands (margin)
• Reduced logistics and warehousing
  – e.g. Asian sourcing
  – e.g. long tail products
• Improved overhead costs
  – Back-office activities
  – Cataloguing
  – Rationalize ERP systems
• Brand economies of scale

Longer-Term Margin Drivers
Potential Effects on Margins of Proposed Initiatives

Potential effects on Segment EBITDA Margin

- T2 (incl. recovery exceptional costs): +1.0/1.5%
- AP rationalization: +0.3/0.5%
- European procurement: +0.7/1.0%
- Catalogue/BAAS: +1.0/2.0%
- Logistics: +0.5/0.8%
- BackOffice: +0.3/0.5%

- This slide represents ranges of potential effects on Segment EBITDA margins of proposed initiatives in Europe. There can be no assurance that the indicated potential effects will be realized. In addition, the realization of one or more effects may be dependent on the realization of one or more other effects and should not be viewed as guidance by the Company.
- The slide is solely for hypothetical illustration of the possible outcomes of proposed initiatives.
- The slide does not include the effects of new acquisitions completed in the period nor the costs to implement the ERP.
- The slide does not include the dilution effect of the Stahlgruber acquisition.
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 300,000 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 1,100,000 annual deliveries and ability to serve over 97% of dealer/jobber customers next-day

Specialty Directly Addressable Market (1)

($ in billions)

- Accessory and Appearance $5.03B 37%
- Performance Products $4.37B 32%
- RV and Towing $1.37B 10%
- Wheels, Tires & Suspension $2.78B 21%

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

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
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
- Attractive Adjacent Markets

An LKQ Company
North America – 2018 Results

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>Change</th>
<th>Fiscal Year % of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue ($ in millions)</td>
<td>$5,183</td>
<td>$4,800</td>
<td>8.0%</td>
<td>43.3% 43.8%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>$2,243</td>
<td>$2,104</td>
<td>6.6%</td>
<td>43.3% 43.8%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$1,599</td>
<td>$1,466</td>
<td>9.1%</td>
<td>30.8% 30.5%</td>
</tr>
<tr>
<td>Segment EBITDA(1)</td>
<td>$660</td>
<td>$655</td>
<td>0.7%</td>
<td>12.7% 13.7%</td>
</tr>
</tbody>
</table>

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

Note: In the table above, the sum of the individual percentages may not equal the total due to rounding.
Europe – 2018 Results

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>2018</th>
<th>2017</th>
<th>Change</th>
<th>% of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>$5,222</td>
<td>$3,637</td>
<td>43.6%</td>
<td>36.3%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>$1,896</td>
<td>$1,329</td>
<td>42.7%</td>
<td>36.3%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$1,484</td>
<td>$1,020</td>
<td>45.6%</td>
<td>28.4%</td>
</tr>
<tr>
<td>Segment EBITDA (1)</td>
<td>$423</td>
<td>$319</td>
<td>32.4%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Branches (2)</td>
<td>1,102</td>
<td>879</td>
<td>223</td>
<td></td>
</tr>
</tbody>
</table>

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

(2) Includes 187 Stahlgruber branches

Note: In the table above, the sum of the individual percentages may not equal the total due to rounding
# Specialty – 2018 Results

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>2018</th>
<th>2017</th>
<th>Change</th>
<th>% of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>$1,478</td>
<td>$1,306</td>
<td>13.2%</td>
<td></td>
</tr>
<tr>
<td>Gross Margin</td>
<td>$436</td>
<td>$367</td>
<td>18.6%</td>
<td>29.5%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$270</td>
<td>$230</td>
<td>17.2%</td>
<td>18.2%</td>
</tr>
<tr>
<td>Segment EBITDA(^{(1)})</td>
<td>$169</td>
<td>$142</td>
<td>18.5%</td>
<td>11.4%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Segment EBITDA is a non-GAAP measure. Refer to total Segment EBITDA reconciliation on Appendix 3 and the breakout of Segment EBITDA by each respective segment on Appendix 2

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### Specialty Segment EBITDA Margin Bridge

- **2018**: 11.4%
- **Gross Margin\(^{(1)}\)**: 10.9%
- **Personnel costs**: (0.3)%
- **Vehicle and fuel expenses**: (0.2)%
- **Other**: (0.3)%

\(^{(2)}\) Reported Gross Margin % is positively impacted by increased COGS depreciation and inventory step-up adjustment of 0.1%

Note: In the table above, the sum of the individual percentages may not equal the total due to rounding.
2018 Capital Allocation

- Operating cash flows:
  - The $192 million year over year increase is primarily driven by an increase in operating income of $37 million, a $64 million increase in non-cash depreciation and amortization expense (a component of operating income), a $33 million increase in non-cash impairment of goodwill (a component of operating income), a $73 million decrease in taxes paid, and a $72 million decrease in inventory compared to the prior year partially offset by a $103 million reduction in accounts payable balances, of which $116 million was due to the timing of the Stahlgruber acquisition closing.

- Investing cash flows:
  - Outflow of $1.2 billion of acquisitions and other investing activities primarily relates to our acquisition of Stahlgruber.
  - Capex of $250 million mainly due to our North America and Europe segments.

- Financing cash flows:
  - Includes $1.2 billion in proceeds from the issuance of Euro Notes (2026/28) partially offset by net repayments of $206 million on our credit facilities.
  - Includes $60 million in share repurchases.
Effective borrowing rate for Q4 2018 and full year was 3.4% (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 80% of our outstanding debt at year-end is effectively at a fixed interest rate
Key Return Metrics

Return on Equity

Return on Invested Capital

(1) Amortization of acquired intangibles has been excluded from income in the calculation of Return on Invested Capital
(2) 2018 excludes all income, transaction costs, capital and equity related to Stahlgruber GmbH
(3) 2018 excludes the effect of the Mekonomen and goodwill impairment charges on income
Guidance 2019
(effective only on the date issued: February 28, 2019)

Guidance for 2019 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, and amortization expense related to acquired intangibles. 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 potential exit from the European Union. Our forecasted results for our international operations were calculated using current foreign exchange rates for the remainder of the year. Guidance for 2019 includes a global effective tax rate of 27.0%. Full year 2018 actual figures for Adjusted Net Income and Adjusted Diluted EPS were calculated using the same methodology as the 2019 guidance. Organic revenue guidance refers only to parts and services revenue. LKQ updated its guidance on February 28, 2019, 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.

### Guidance 2019

<table>
<thead>
<tr>
<th>($ in millions excluding EPS)</th>
<th>Full Year 2018 Actual</th>
<th>Full Year 2019 Guidance^{(1)}</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic Growth, Parts and Services</td>
<td>4.4%</td>
<td>2.0% - 4.0%</td>
</tr>
<tr>
<td>Net Income - continuing operations attributable to LKQ stockholders</td>
<td>$485</td>
<td>$641 - $680</td>
</tr>
<tr>
<td>Adjusted Net Income - continuing operations attributable to LKQ stockholders^{(2)}</td>
<td>$691</td>
<td>$732 - $771</td>
</tr>
<tr>
<td>Diluted EPS - continuing operations attributable to LKQ stockholders</td>
<td>$1.53</td>
<td>$2.05 - $2.17</td>
</tr>
<tr>
<td>Adjusted Diluted EPS - continuing operations attributable to LKQ stockholders^{(2)}</td>
<td>$2.19</td>
<td>$2.34 - $2.46</td>
</tr>
<tr>
<td>Cash Flow from Operations</td>
<td>$711</td>
<td>$775 - $850</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$250</td>
<td>$250 - $300</td>
</tr>
</tbody>
</table>

^{(1)} Guidance for 2019 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, and amortization expense related to acquired intangibles. 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 potential exit from the European Union. Our forecasted results for our international operations were calculated using current foreign exchange rates for the remainder of the year. Guidance for 2019 includes a global effective tax rate of 27.0%. Full year 2018 actual figures for Adjusted Net Income and Adjusted Diluted EPS were calculated using the same methodology as the 2019 guidance. Organic revenue guidance refers only to parts and services revenue. LKQ updated its guidance on February 28, 2019, 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.

^{(2)} Adjusted income and Adjusted Diluted EPS are non-GAAP measures. See Appendix 5 for reconciliation of forecasted adjusted net income and forecasted adjusted diluted earnings per share from continuing operations attributable to LKQ stockholders.
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 consolidated revenue growth for Parts & Services to constant currency revenue growth for the same measure:

<table>
<thead>
<tr>
<th>Parts &amp; Services</th>
<th>Three Months Ended December 31, 2018</th>
<th>Year Ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Consolidated</td>
<td>Europe</td>
</tr>
<tr>
<td>Revenue growth as reported</td>
<td>22.2%</td>
<td>46.6%</td>
</tr>
<tr>
<td>Less: Currency impact</td>
<td>(1.6%)</td>
<td>(3.3%)</td>
</tr>
<tr>
<td>Revenue growth at constant currency</td>
<td>23.8%</td>
<td>49.9%</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 are outside of our control and do not reflect our operational performance. Constant currency revenue results are calculated by translating prior year revenue in local currency using the current year's currency conversion rate. This non-GAAP financial measure has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. Our use of this term may vary from the use of similarly-titled measures by other issuers due to the potential inconsistencies in the method of calculation and differences due to items subject to interpretation. In addition, not all companies that report revenue growth on a constant currency basis calculate such measure in the same manner as we do and, accordingly, our calculations are not necessarily comparable to similarly-named measures of other companies and may not be appropriate measures for performance relative to other companies.
## Appendix 2 - Revenue and Segment EBITDA by segment

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended December 31(^{(1)})</th>
<th>Year Ended December 31(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>% of revenue</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>$1,255</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>1,426</td>
<td></td>
</tr>
<tr>
<td>Specialty</td>
<td>323</td>
<td></td>
</tr>
<tr>
<td>Eliminations</td>
<td>(1)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$3,003</td>
<td></td>
</tr>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>$153</td>
<td>12.2%</td>
</tr>
<tr>
<td>Europe</td>
<td>107</td>
<td>7.5%</td>
</tr>
<tr>
<td>Specialty</td>
<td>28</td>
<td>8.5%</td>
</tr>
<tr>
<td><strong>Total Segment EBITDA</strong></td>
<td>$288</td>
<td>9.6%</td>
</tr>
</tbody>
</table>

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 gains and losses related to acquisitions, equity method investments, or divestitures, equity in losses and earnings of unconsolidated subsidiaries and impairment of goodwill. EBITDA, which is the basis for Segment EBITDA, is calculated as net income, less net income (loss) attributable to noncontrolling interest, excluding discontinued operations, depreciation, amortization, interest 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. 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

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>Three Months Ended December 31(^{(1)})</th>
<th>Year Ended December 31(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
</tr>
<tr>
<td>Net income</td>
<td>$38</td>
<td>$121</td>
</tr>
<tr>
<td>Subtract:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income (loss) attributable to noncontrolling interest</td>
<td>2</td>
<td>(4)</td>
</tr>
<tr>
<td>Net income attributable to LKQ stockholders</td>
<td>$36</td>
<td>$124</td>
</tr>
<tr>
<td>Subtract:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss from discontinued operations</td>
<td>(4)</td>
<td>(2)</td>
</tr>
<tr>
<td>Net income from continuing operations attributable to LKQ stockholders</td>
<td>$40</td>
<td>$126</td>
</tr>
<tr>
<td>Add:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>78</td>
<td>60</td>
</tr>
<tr>
<td>Depreciation and Amortization - cost of goods sold</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Interest expense, net of interest income</td>
<td>37</td>
<td>27</td>
</tr>
<tr>
<td>Loss on debt extinguishment</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>35</td>
<td>29</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$197</td>
<td>$247</td>
</tr>
<tr>
<td>Subtract:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity in (losses) earnings of unconsolidated subsidiaries</td>
<td>(46)</td>
<td>2</td>
</tr>
<tr>
<td>Fair value loss on Mekonomen derivative instrument</td>
<td>(8)</td>
<td>—</td>
</tr>
<tr>
<td>Gains on bargain purchases</td>
<td>2</td>
<td>(0)</td>
</tr>
<tr>
<td>Add:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring and acquisition related expenses</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Inventory step-up adjustment - acquisition related</td>
<td>—</td>
<td>4</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>33</td>
<td>—</td>
</tr>
<tr>
<td>Impairment of net assets held for sale</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Change in fair value of contingent consideration liabilities</td>
<td>0</td>
<td>(4)</td>
</tr>
<tr>
<td>Segment EBITDA</td>
<td>$288</td>
<td>$253</td>
</tr>
</tbody>
</table>

Net income from continuing operations attributable to LKQ stockholders as a percentage of revenue
- 1.3% | 5.1%
- 4.1% | 5.6%

EBITDA as a percentage of revenue
- 6.6% | 10.0%
- 9.4% | 11.4%

Segment EBITDA as a percentage of revenue
- 9.6% | 10.3%
- 10.5% | 11.5%

\(^{(1)}\) The sum of the individual components may not equal the total due to rounding
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 noncontrolling interest, excluding discontinued operations, depreciation, amortization, interest 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 noncontrolling interest and without the impact of discontinued operations, depreciation, amortization, interest 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, 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 of goodwill. 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. 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.

EBITDA and Segment EBITDA should not be construed as alternatives 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 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

<table>
<thead>
<tr>
<th>(In millions, except per share data)</th>
<th>Three Months Ended December 31(^{(1)})</th>
<th>Year Ended December 31(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
</tr>
<tr>
<td>Net income</td>
<td>$38</td>
<td>$121</td>
</tr>
<tr>
<td>Subtract:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income (loss) attributable to noncontrolling interest</td>
<td>2</td>
<td>(4)</td>
</tr>
<tr>
<td>Net income attributable to LKQ stockholders</td>
<td>$36</td>
<td>$124</td>
</tr>
<tr>
<td>Subtract:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss from discontinued operations</td>
<td>(4)</td>
<td>(2)</td>
</tr>
<tr>
<td>Net income from continuing operations attributable to LKQ stockholders</td>
<td>$40</td>
<td>$126</td>
</tr>
<tr>
<td>Adjustments - continuing operations attributable to LKQ stockholders:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of acquired intangibles</td>
<td>38</td>
<td>26</td>
</tr>
<tr>
<td>Restructuring and acquisition related expenses</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Loss on debt extinguishment</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Inventory step-up adjustment - acquisition related</td>
<td>—</td>
<td>4</td>
</tr>
<tr>
<td>Change in fair value of contingent consideration liabilities</td>
<td>0</td>
<td>(4)</td>
</tr>
<tr>
<td>Gains on bargain purchases</td>
<td>(2)</td>
<td>0</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>33</td>
<td>—</td>
</tr>
<tr>
<td>Impairment of net assets held for sale</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Impairment on Mekonomen equity method investment</td>
<td>48</td>
<td>—</td>
</tr>
<tr>
<td>Fair value loss on Mekonomen derivative instrument</td>
<td>8</td>
<td>—</td>
</tr>
<tr>
<td>U.S. tax law change 2017</td>
<td>—</td>
<td>(22)</td>
</tr>
<tr>
<td>Excess tax benefit from stock-based payments</td>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td>Tax effect of adjustments</td>
<td>(21)</td>
<td>(12)</td>
</tr>
<tr>
<td>Adjusted net income from continuing operations attributable to LKQ stockholders</td>
<td>$151</td>
<td>$126</td>
</tr>
<tr>
<td>Weighted average diluted common shares outstanding</td>
<td>318,510</td>
<td>311,106</td>
</tr>
<tr>
<td>Diluted earnings per share from continuing operations attributable to LKQ stockholders:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reported</td>
<td>$0.13</td>
<td>$0.41</td>
</tr>
<tr>
<td>Adjusted</td>
<td>$0.48</td>
<td>$0.41</td>
</tr>
</tbody>
</table>

\(^{(1)}\) 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 the company’s 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 noncontrolling interest, discontinued operations, restructuring and acquisition related expenses, amortization expense related to acquired intangibles, the change in fair value of contingent consideration liabilities, other gains and losses related to acquisitions, equity method investments, or divestitures, impairment of goodwill, 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. 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\(^{(1)}\)

<table>
<thead>
<tr>
<th>(in millions, except per share data)</th>
<th>For the year ending December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum Guidance</td>
</tr>
<tr>
<td>Net income from continuing operations attributable to LKQ stockholders</td>
<td>$641</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
</tr>
<tr>
<td>Amortization of acquired intangibles</td>
<td>125</td>
</tr>
<tr>
<td>Tax effect of adjustments</td>
<td>(34)</td>
</tr>
<tr>
<td>Adjusted net income from continuing operations attributable to LKQ stockholders</td>
<td>$732</td>
</tr>
<tr>
<td>Weighted average diluted common shares outstanding</td>
<td>313</td>
</tr>
<tr>
<td>Diluted EPS from continuing operations attributable to LKQ stockholders:</td>
<td></td>
</tr>
<tr>
<td>U.S. GAAP</td>
<td>$2.05</td>
</tr>
<tr>
<td>Non-GAAP (Adjusted)</td>
<td>$2.34</td>
</tr>
</tbody>
</table>

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 2019 and the related tax effect; we did not estimate amounts for any other components of the calculation for the year ending December 31, 2019.

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