Investor/Analyst Conference Call
LKQ to Acquire Rhiag Group

December 22, 2015

Rob Wagman – *President & Chief Executive Officer*
John Quinn – *Chief Executive Officer & Managing Director of European Operations*
Nick Zarcone – *Executive Vice President & Chief Financial Officer*

Forward Looking Statement

Statements and information included in this presentation that are not purely 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 expectations, intentions, beliefs and strategies regarding the future, including statements regarding trends, cyclicality and changes in the markets we sell into; strategic direction; changes to procurement processes; the cost of compliance with environmental and other laws; expected tax rates; planned capital expenditures; liquidity positions; ability to generate cash from continuing operations; the potential impact of adopting new accounting pronouncements; expected financial results, including revenue and profitability; obligations under our retirement plans; savings or additional costs from business integrations and cost containment programs; and the adequacy of accruals. These forward looking statements generally include expectations, beliefs, hopes, intentions or strategies regarding our future, including with respect to the proposed transaction described and statements or assumptions regarding the expected timetable for completing the transaction, financial and operating results, benefits and synergies of the transaction, and other statements that are based on management's current beliefs and expectations of the company and the combined businesses.

All forward-looking statements we make are based on information available to us at the time the statements are made, and we assume no obligation to update any forward-looking statements, except as may be required by law. The potential risks and uncertainties that could cause actual results to differ from the results predicted or implied by our forward-looking statements include, among others, the receipt of regulatory approvals for the transaction and the successful fulfillment or waiver of all other closing conditions without unexpected delays or conditions; the failure to realize, or delays in realizing, growth projections, synergies and cost-savings from the transaction; competitive responses to the transaction, as well as the risks and uncertainties included 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, 2014 and any of 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.

Agenda

- Strategic Rationale - Rob Wagman
- Rhiag Overview - John Quinn
- Financial Overview - Nick Zarcone
- Q & A

Mission Statement

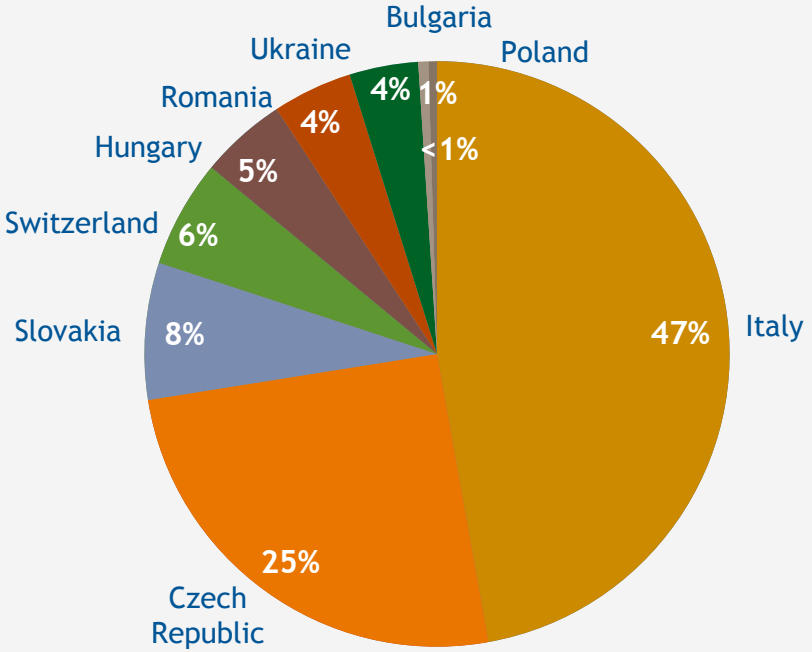
To be the leading global value-added distributor of vehicle parts and accessories by offering our customers the most comprehensive, available and cost effective selection of part solutions while building strong partnerships with our employees and the communities in which we operate.

Strategic Rationale & Market Overview

Rhiag Company Overview

- Rhiag is the leading automotive mechanical parts distributor in Italy operating in the independent aftermarket segment and the second largest market participant in Switzerland.
- The Company has a major presence in Eastern Europe with operations in the Czech Republic, Slovakia, Hungary, Ukraine, Romania, Poland & Bulgaria
- Rhiag's suppliers include a vast array of leading auto parts manufacturers including Bosch, Brembo, Continental, Contitech, FederalMogul, Mann+Hummel, Schaefller, TMD Friction, Valeo, etc.
- Customer portfolio is characterized by a low degree of concentration. Italy & Switzerland distribution networks operate under a 3 step model & Eastern Europe under a 2 step model
- From 2012 – 2014 Rhiag experienced average sales growth of 6.4% & average Adjusted EBITDA margin* of 11.4%

2014 Revenue by Geography



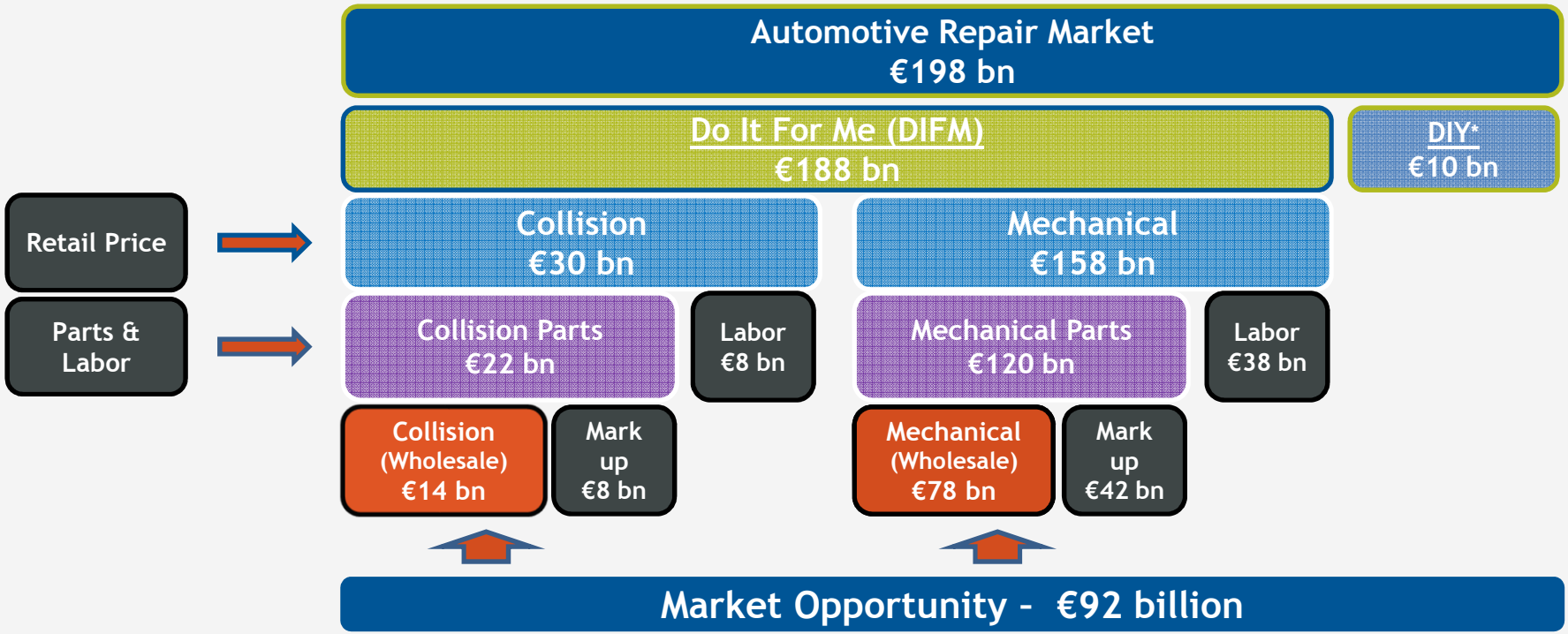
Source: Rhiag Company Presentation November 2015 and Rhiag Company information as provided in Rhiag VDR

* See appendix for reconciliation of Rhiag's Adjusted EBITDA (non-GAAP measure)

Rhiag Strategic Rationale

- Establishes LKQ as the clear #1 Player in Europe & Accelerates our Pan-European Strategy
- Enhances our Global Diversification Strategy with New Large Addressable Markets
- Attractive Market Structure (fragmented, professional repair focused)
- Numerous Common Suppliers with Existing European Operations
- Experienced & Accomplished Senior Management Team
- Attractive Distribution Footprint
- Demonstrated Above Market Growth with Identifiable Opportunities to Accelerate
- Attractive & Consistent EBITDA Margin
- Low Penetration of Alternative Collision Parts

European Market Overview



- Large car parc ~ 285 million vehicles
- Fragmented industry
- Dominated by country champions
- Low penetration of alternative collision parts with ~7% APU across Europe
- Professional repairer focused
- Segmented by the suppliers
- Focused on mechanical parts

Source: 2014 Datamonitor; Management Estimates. Excludes VAT and sales taxes
* Do It Yourself

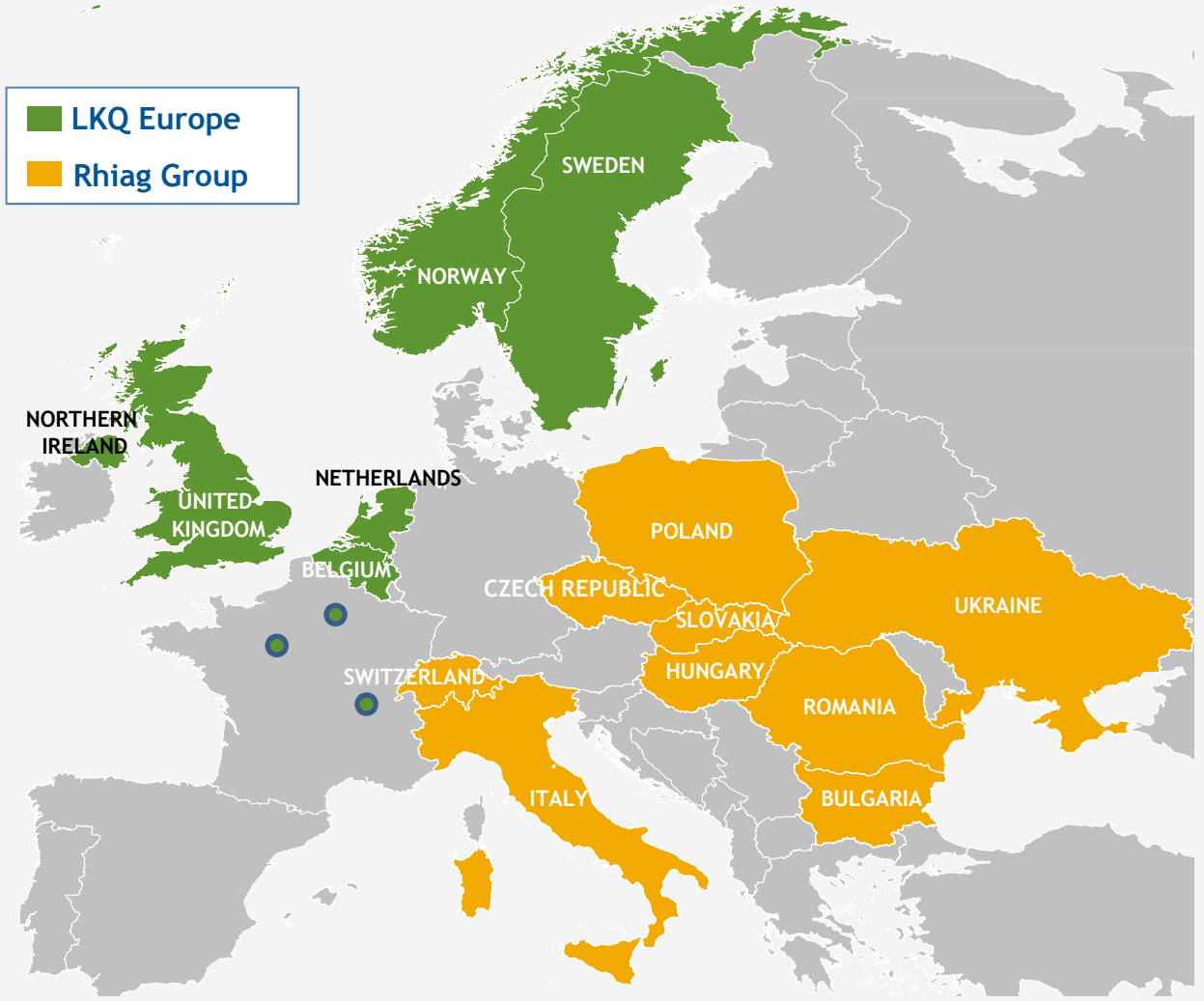
Rhiag Significantly Expands LKQ's Pan-European Footprint

Italy

- Sells exclusively to wholesalers/ jobbers which in turn, sell to independent garages
- More than 5,700 wholesalers served
- Limited customer concentration – top 10 account for ~3% of total sales

Eastern Europe

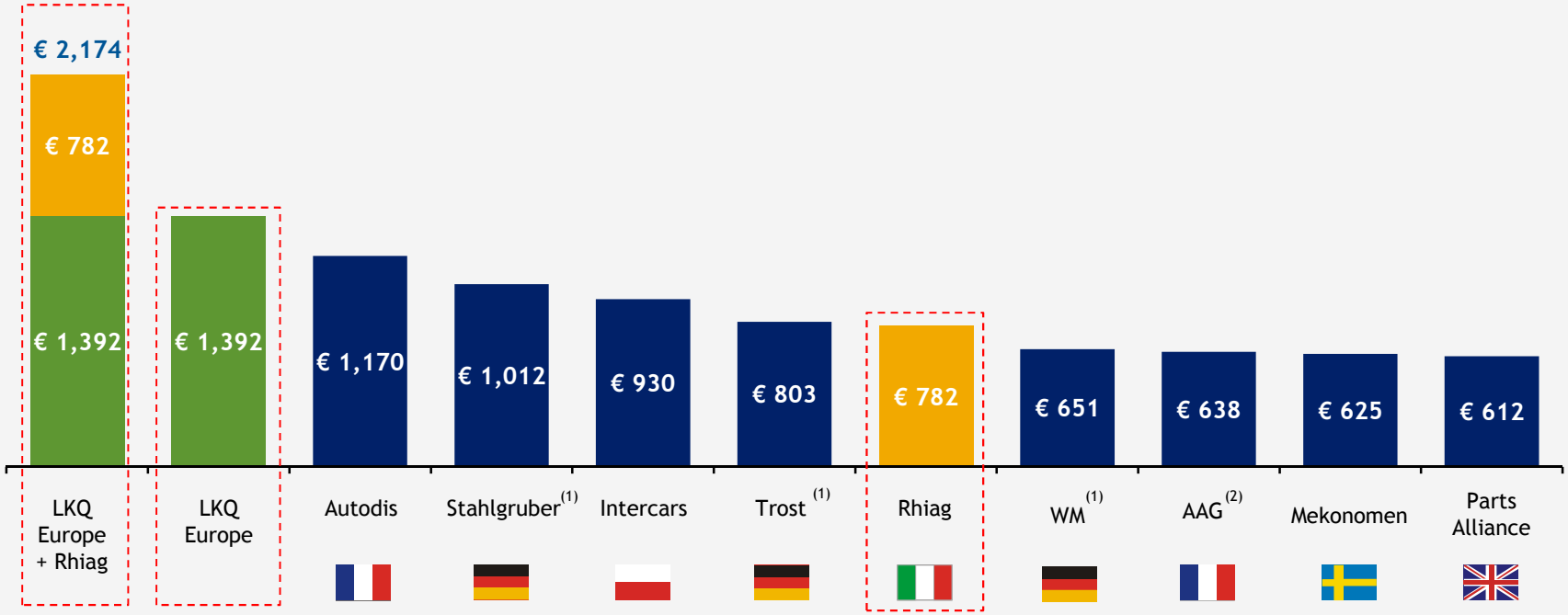
- Rhiag Group is the leading independent distributor of automotive & commercial vehicle aftermarket mechanical parts in Eastern Europe
- The market is less mature than in Italy & more stratified
- In Eastern Europe Rhiag mainly supplies independent garages & repair shops rather than wholesalers



Source: Company filings & information.

Rhiag Expands LKQ's Leadership Position In Europe

Top 10 European Players



Source: Company filings and information, Capital IQ and Amadeus.
Note: EUR in millions. Represents FY2014 sales unless otherwise indicated.
(1) FY2013.
(2) IFRS Sales.

Rhiag Overview

Rhiag's Operating Presence

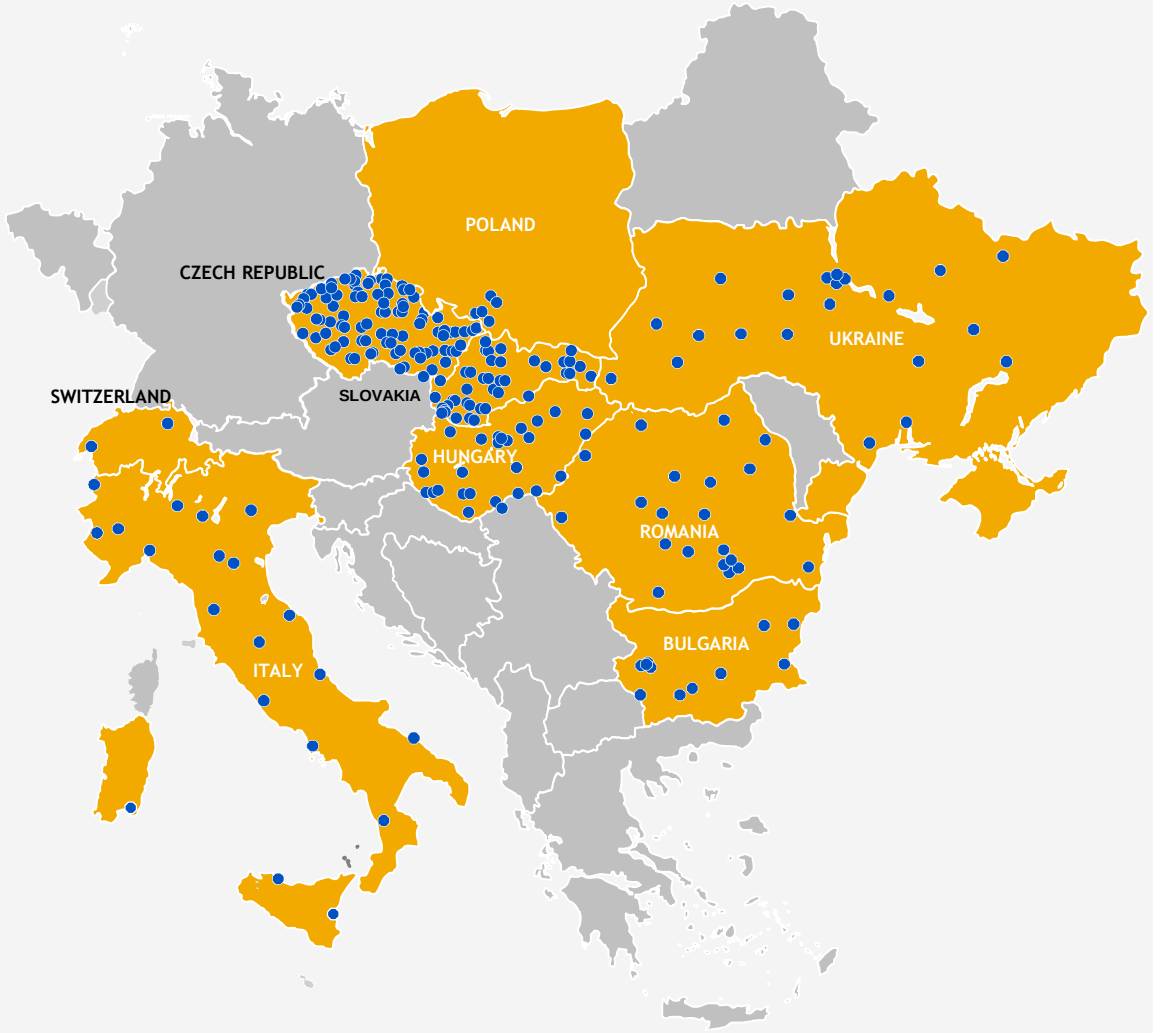
Italy	
Branches	19
Of which Hubs:	*4*
Central Warehouse	1
Customers served	>8,400

Czech Republic	
Branches	111
Central Warehouses	2
Customers served	>49,000

Switzerland	
Central Warehouses	2
Customers served	>1,800

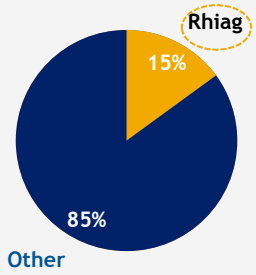
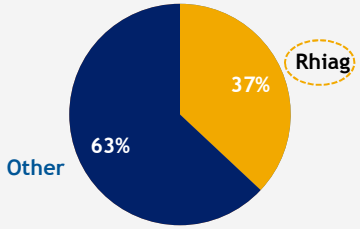
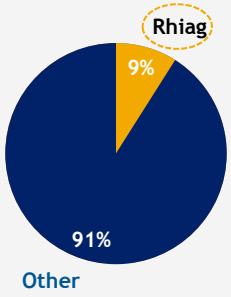
Slovakia	
Branches	42
Customers served	>12,600

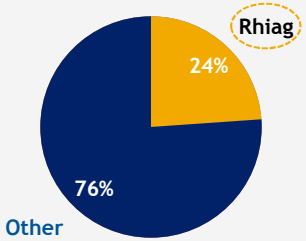
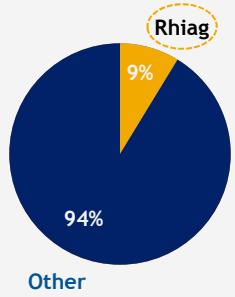
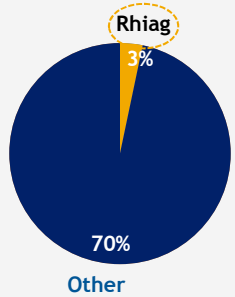
Other EE Countries (1)	
Branches	75
Customers served	>28,900



Source: Company information.
(1) Bulgaria, Hungary, Poland, Romania and Ukraine.

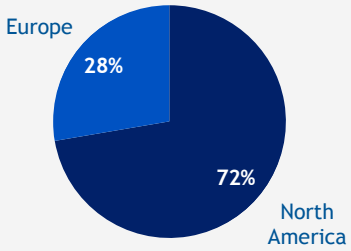
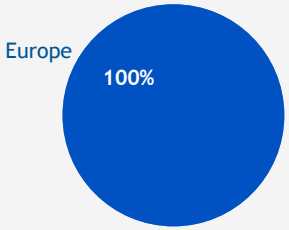
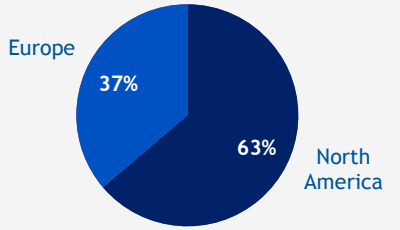
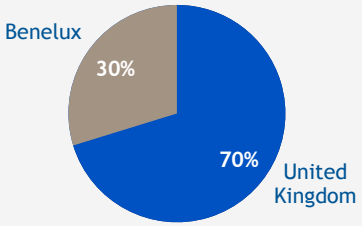
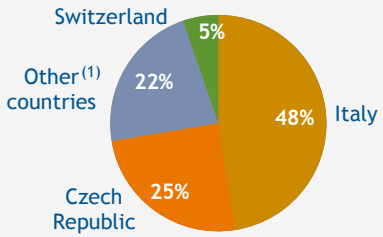
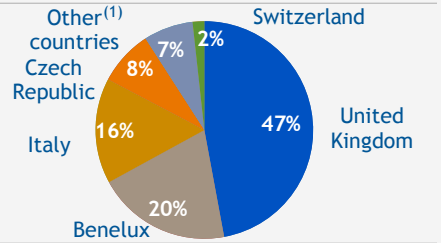
Rhiag Is A Leading Player In Its Core Markets

Country	Approximate Market Share	Market Position
Italy		#1
Czech Republic		#1
Switzerland		#2

Country	Approximate Market Share	Market Position
Slovakia		#1
Hungary		#3
Ukraine		#2

Source: Wolk After Sales Experts – "Car Aftermarket in CH, IT, CZ, SK, HU, UA, RO – Market Analysis for European Countries" – Sep-2015.

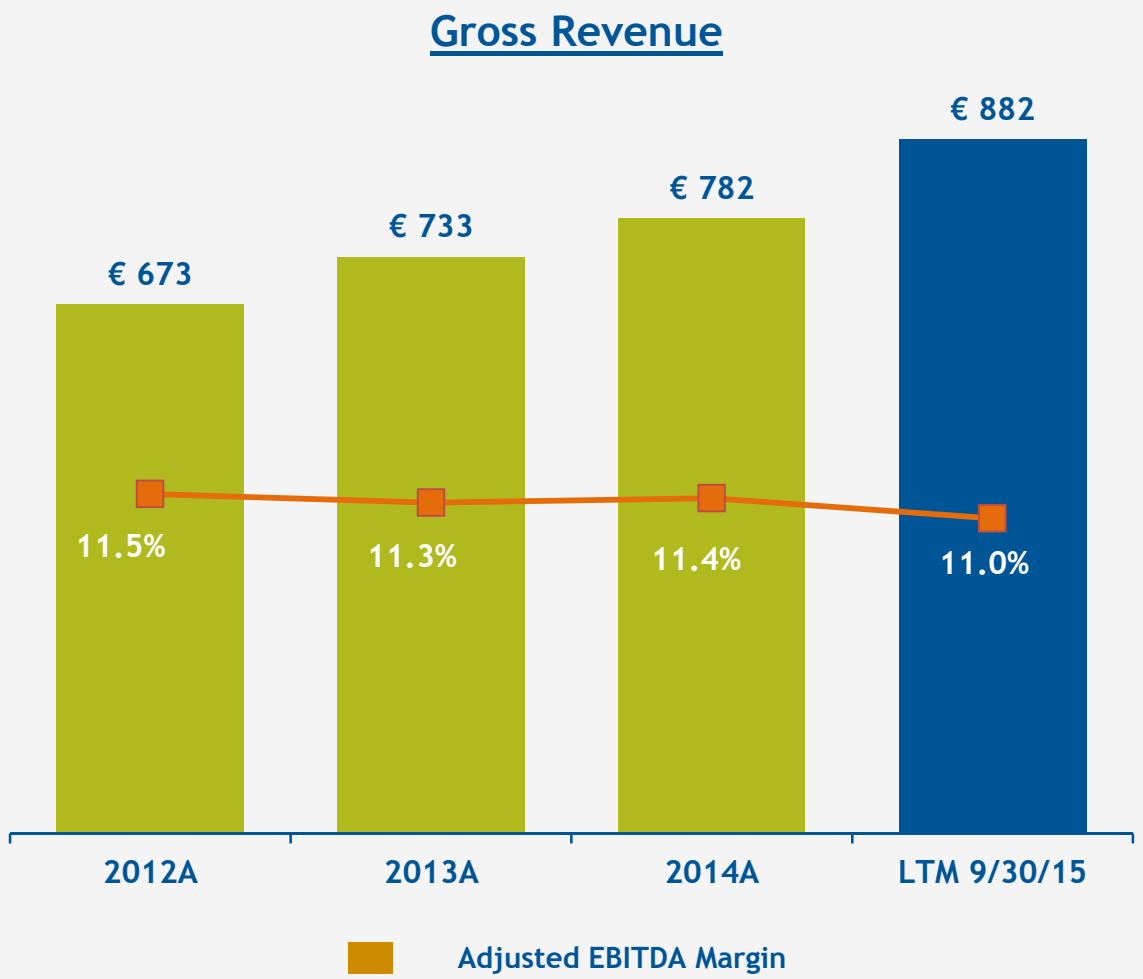
Pro Forma Geographical Footprint

	LKQ Corporation	RHIAG GROUP	LKQ Corporation + RHIAG GROUP
Revenue	**$7.1**	**$1.0**	**$8.1**
European Revenue	**$2.0**	**$1.0**	**$3.0**
Geographic Contribution			
European Contribution			
Footprint / Platform	• European operations began with the acquisition of ECP in October 2011 • Entered continental Europe with the acquisition of Sator Beheer in May 2013	• Equal presence in Italy & Eastern Europe • Mostly serves passenger car market	• **Largest automotive aftermarket parts provider in Europe**

Source: Company filings and information.
Note: USD in billions. Assumes EUR/USD exchange rate of 1.15. LTM as of 9/30/15.
(1) Other countries include Slovakia, Hungary, Romania, Ukraine, Bulgaria and Poland.

Rhiag Is A Consistent Performer

- Consistent Revenue and EBITDA growth ~10% each
- Healthy & stable margin profile



Represents Adjusted EBITDA as defined by Rhiag with LTM results further adjusted by LKQ (see the Appendix for reconciliation of non-GAAP measure); EUR in millions
Figures presented on this slide are subject to change based on final conversion of US GAAP statements, mapping to LKQ chart of accounts & calculation under LKQ's Segment EBITDA presentation



Financial Overview

Transaction Summary

Structure and Consideration	• €1.0375 billion in total consideration (including cash & assumed debt) • Represents EV / Adjusted 2015 EBITDA: 10.6x • Transaction expected to be financed with cash on hand, existing facilities & assumed debt • Strong combined financial profile allows for an all cash transaction with the expectation to maintain current credit rating
Combined Financial Metrics[1]	• $8.1 billion in pro forma Revenue; pro forma Adjusted EBITDA[2] $956 million • Expected to be EPS accretive in first year of LKQ ownership • Expected to eventually generate approximately €10 million in annual run-rate synergies
Approvals and Closing	• The transaction has been approved by the boards of directors of both companies • Subject to customary closing conditions & regulatory approvals • Expected to close in Q2 2016

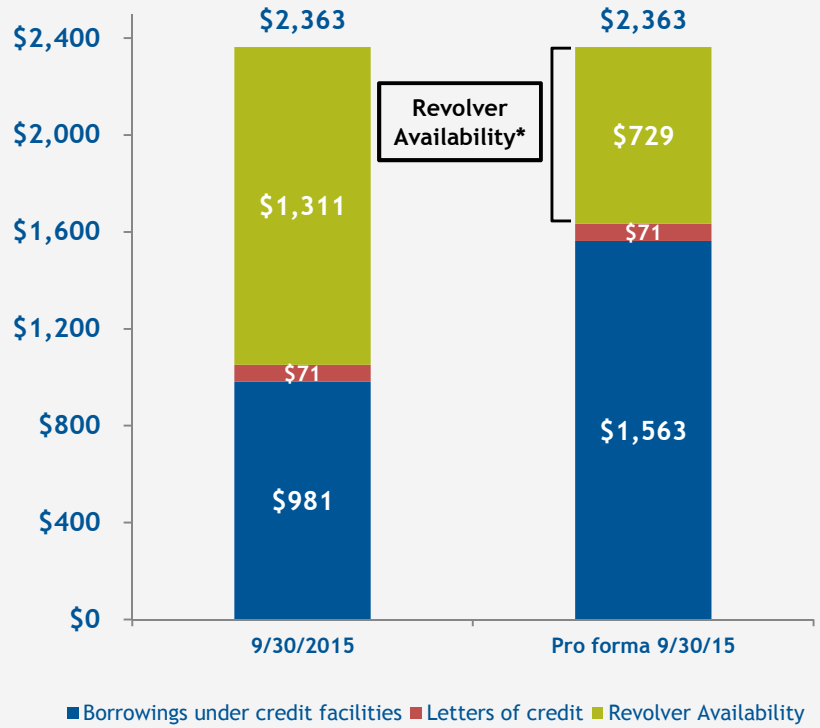
(1) LTM 9/30/2015
(2) Represents (i)LKQ Adjusted EBITDA & (ii) Adjusted EBITDA as defined by Rhiag with LTM results further adjusted by LKQ (see the Appendix for reconciliations of non-GAAP measures)
Note: Assumes EUR/USD exchange rate of 1.15

LKQ Corporation

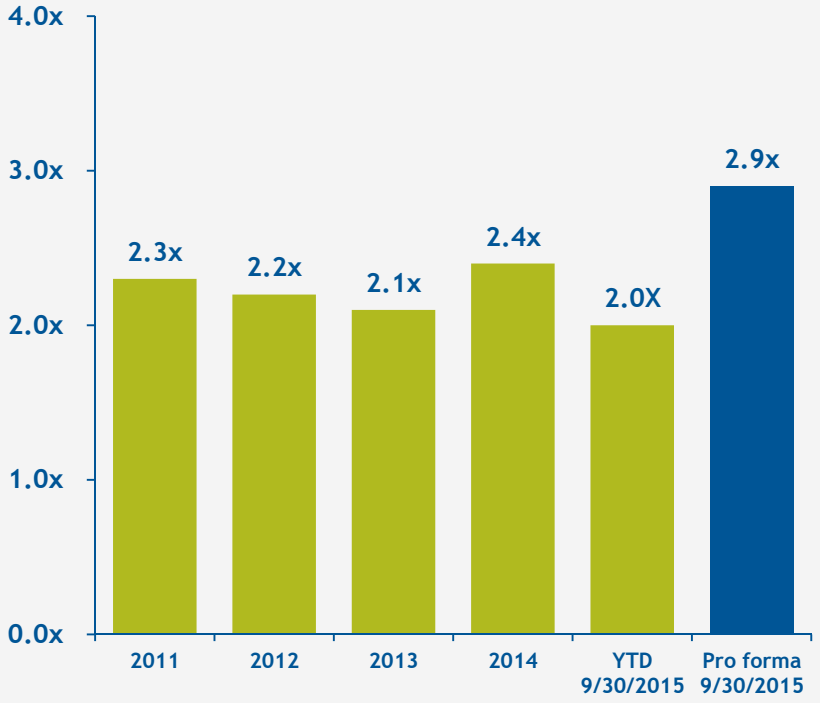
Financing

- Initial funding will be provided by LKQ's cash, current credit facility & assumption of €475 million of Rhiag Group debt
- Permanent financing is expected to utilize a combination of Euro Bonds, term loans & credit facilities

Credit Facility



Leverage(1)



(1) Debt/EBITDA FY on a Reported Basis (i.e. not per bank covenant definitions) ; * $ in millions, LTM as of 9/30/15

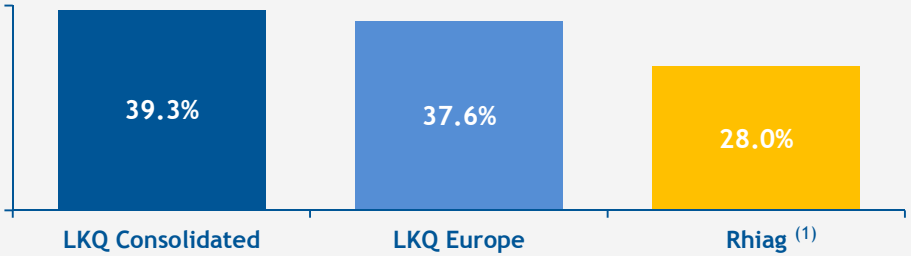
* Revolver availability includes our revolving credit facilities & our receivables securitization facility

LKQ Corporation

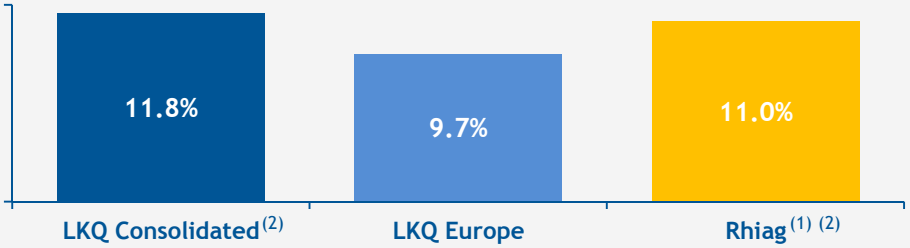
LTM Margin Analysis

- Difference in gross margin profile due to market structure & product mix
- Offsetting the lower gross margin, Rhiag generates lower operating costs as a percentage of revenue compared to LKQ Consolidated & LKQ Europe
- EBITDA margin to operating margin includes impact from depreciation and amortization. Rhiag historically has had ~€30mm in amortization as a result of previous transactions

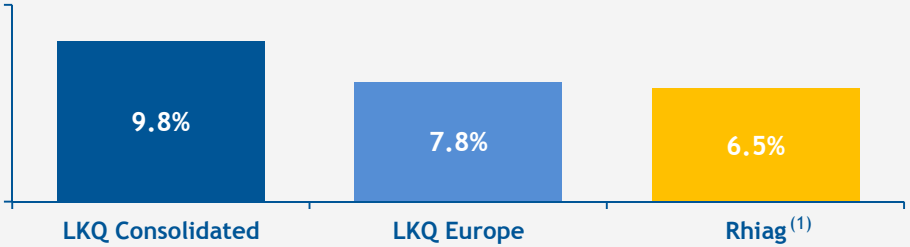
Gross Margin



EBITDA Margin



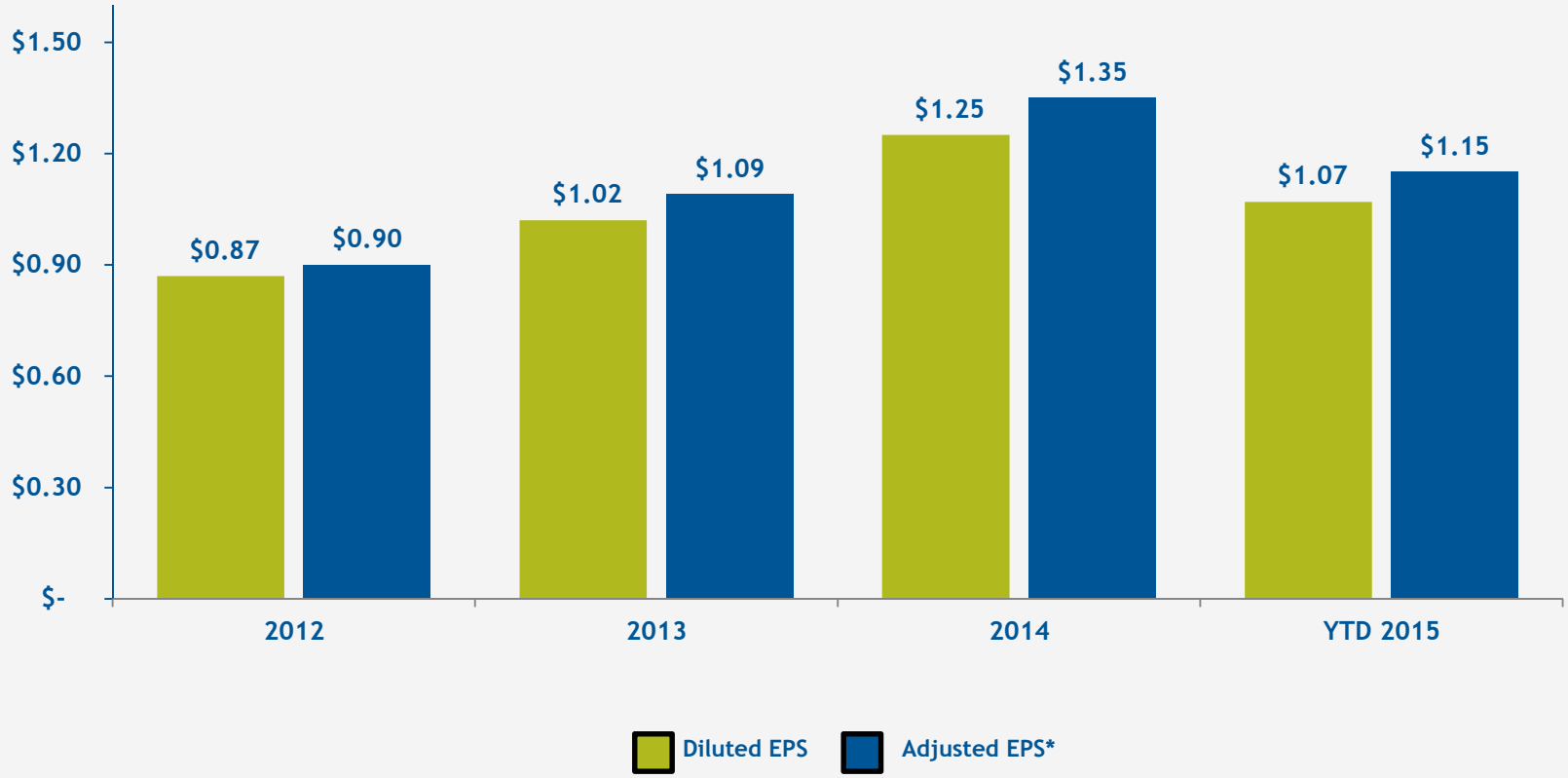
Operating Margin



(1) Reflects estimates based on preliminary financial information. Estimates are subject to change based on final conversion of US GAAP statements & mapping to LKQ chart of accounts.
(2) Represents (i) LKQ Adjusted EBITDA & (ii) Adjusted EBITDA as defined by Rhiag with LTM results further adjusted by LKQ (see the Appendix for reconciliations of non-GAAP measures).

Earnings Per Share Presentation

- To provide investors an additional perspective, once the Rhiag acquisition is closed, LKQ will modify its Adjusted EPS presentation to exclude tax adjusted amortization of intangibles
- LKQ's historical stand alone results using this approach to Adjusted EPS are presented below



* See Appendix for additional details & reconciliation of Adjusted EPS (non-GAAP measure); these figures exclude Rhiag

EPS Accretion

- **Rhiag currently has ~€30mm of annual amortization expense as a result of previous transactions, LKQ expects the transaction may result in an incremental ~€10-€15mm(1) per annum**
- **LKQ anticipates the Rhiag Group acquisition will be accretive to EPS on both an Diluted EPS & Adjusted EPS basis**

Potential Accretion	2016	2017
Diluted EPS(2)	$0.03	$0.09
Adjusted EPS(2)	$0.11	$0.21

(1) Value of intangibles & subsequent impact of amortization is highly indicative & will be finalized in accordance with U.S. GAAP accounting within one year of closing. All numbers are estimates/approximates.
(2) Differences between Diluted & Adjusted EPS are caused by the expected after-tax amortization of intangibles

Key Takeways

- Consistent with LKQ's growth & acquisition strategy in Europe
  - Markets where LKQ can be #1 or #2
  - Keep discipline on operational profile & financial return metrics
- Europe is a large, fragmented addressable market with attractive fundamentals
  - Aging car parc, increasing complexity & sophistication of parts
- Acquiring Rhiag expands LKQ as Europe's only pan-continental player in a market of primarily regional champions
  - Immediately gain scale in attractive Italian, Swiss & emerging Eastern European markets
- Rhiag represents platform to accelerate growth in Europe
  - Number 1 player in its key markets (multiple times larger than next largest competitor in several markets)
  - Strong in-place management team & attractive distribution system
- Attractive Financial Metrics



Appendix

Adjusted EPS Reconciliation

The following unaudited table reconciles Net Income and Diluted Earnings per Share to Adjusted Net Income and Adjusted Diluted Earnings per Share, respectively:

(In thousands, except per share data)	YTD September 30, 2015	2014	2013	2012	2011
Net income	$ 328,163	$ 381,519	$ 311,623	$ 261,225	$ 210,264
Adjustments:					
Restructuring and acquisition related expenses, net of tax	8,306	9,661	6,587	1,741	4,753
Amortization of acquired intangibles, net of tax	16,134	22,513	9,015	6,042	4,941
Loss on debt extinguishment, net of tax	-	214	1,808	-	3,347
Change in fair value of contingent consideration liabilities	365	(1,851)	2,504	1,643	(1,408)
Adjusted net income	$ 352,968	$ 412,056	$ 331,537	$ 270,651	$ 221,897
Weighted average diluted common shares outstanding	307,326	306,045	304,131	300,693	296,750
Diluted earnings per share	$ 1.07	$ 1.25	$ 1.02	$ 0.87	$ 0.71
Adjusted diluted earnings per share	$ 1.15	$ 1.35	$ 1.09	$ 0.90	$ 0.75

We provide a reconciliation of Net Income and Diluted Earnings per Share ("EPS") to Adjusted Net Income and Adjusted Diluted EPS as we believe it offers investors, securities analysts and other interested parties useful information regarding our results of operations because it assists in analyzing our performance and the value of our business. Adjusted Net Income and Adjusted Diluted EPS are presented as supplemental measures of our performance that management believes are useful for evaluating and comparing our operating activities across reporting periods. In all periods presented, the Company defines Adjusted Net Income and Adjusted Diluted EPS as Net Income and Diluted EPS adjusted to eliminate the impact of restructuring and acquisition related expenses, net of tax; amortization of acquired intangibles, net of tax; loss on debt extinguishment, net of tax; and the change in fair value of contingent consideration liabilities. Adjusted Net Income and Adjusted Diluted EPS should not be construed as alternatives to Net Income or Diluted EPS as determined in accordance with accounting principles generally accepted in the United States. In addition, because not all companies use identical calculations, this presentation of Adjusted Net Income and Adjusted Diluted EPS may not be comparable to similarly titled measures of other companies.

We modified our calculations of Adjusted Net Income and Adjusted Diluted EPS from prior periods by excluding the after tax impact of amortization of acquired intangibles. We believe that amortization of acquired intangibles is non-operational in nature and may create comparability issues between periods in the results of our core operations. With the pending Rhiag transaction and several of our large recent acquisitions, the annual amortization expense recorded in our financial statements is increasing. Amortization of intangible assets may be inconsistent in amount and frequency and is significantly affected by the timing and size of our acquisitions.

LKQ Corporation

Adjusted EBITDA Reconciliation-Rhiag

The following unaudited table reconciles Net Income to EBITDA and Adjusted EBITDA for Rhiag:

	Rhiag			
	Trailing 12 Months September 30, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012
	(in thousands)			
Net income (loss)	€ 13,264	€ (5,132)	€ 33,620	€ 42,160
Depreciation and amortization	39,497	38,193	9,601	8,927
Interest expense, net	41,019	44,188	19,704	11,258
Provision for income taxes	1,626	818	12,083	11,618
Earnings before interest, taxes, depreciation and amortization (EBITDA)	€ 95,406	€ 78,067	€ 75,008	€ 73,963
Add:				
Non-recurring items and restructuring c	7,794	10,675	7,744	3,108
Adjusted EBITDA	€ 103,200 ##	€ 88,742	€ 82,752	€ 77,071
Revenue	€ 882,400	€ 781,723	€ 732,800	€ 672,536
Adjusted EBITDA as % of Revenue	11.7%	11.4%	11.3%	11.5%

The above table reconciles Net Income as determined under International Financial Reporting Standards (IFRS) to EBITDA and Adjusted EBITDA and was derived from Rhiag's financial reports as provided to LKQ. Rhiag management discloses Adjusted EBITDA in its financial reports as a supplemental measure to provide users additional insight into the operating performance of the business. Rhiag management has informed LKQ that Rhiag's Adjusted EBITDA includes revenues, net of direct costs of sales, cost of sales, distribution costs, administrative costs, other operating costs and excludes non-recurring items and restructuring costs. Adjusted EBITDA is not a recognized measure under International Financial IAS / IFRS adopted by the European Union.

(1) As a result of information learned during LKQ's due diligence process, Adjusted EBITDA as originally reported by Rhiag for the trailing twelve months ended September 30, 2015 has been reduced by approximately €6 million. After this reduction, Adjusted EBITDA is 11.0% of revenue for the period.

Adjusted EBITDA Reconciliation-LKQ Corporation

The following unaudited table reconciles Net Income to EBITDA and Adjusted EBITDA for LKQ Corporation:

	LKQ Corporation Trailing 12 Months September 30, 2015 (in thousands)
Net income	$ 408,632
Depreciation and amortization	129,478
Interest expense, net	60,057
Provision for income taxes	225,593
Earnings before interest, taxes, depreciation and amortization (EBITDA)	$ 823,760
Add:	
Restructuring and acquisition related expenses	14,719
Change in fair value of contingent consideration liabi	514
Deduct:	
Equity in earnings of unconsolidated subsidiaries	(5,106)
Adjusted EBITDA	$ 844,099
Revenue	$ 7,127,844
Adjusted EBITDA as a % of revenue	11.8%

We provide a reconciliation of Net Income to EBITDA and Adjusted EBITDA as we believe it offers investors, securities analysts and other interested parties useful information regarding our results of operations because it assists in analyzing our performance and the value of our business. 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 and income tax expense. We believe EBITDA is used by securities analysts, investors, and other interested parties in evaluating 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.

Adjusted EBITDA is presented as a supplemental measure of our performance that management believes is useful for evaluating and comparing our operating activities across reporting periods. Adjusted EBITDA excludes restructuring and acquisition related expenses, change in fair value of contingent consideration liabilities and equity in earnings of unconsolidated subsidiaries.

LKQ Corporation