2022
Investor Day

LKQ Keeping you moving

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. All forward-looking statements are based on information available to us at the time the statements are made. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

You should not place undue reliance on our forward-looking statements. Actual events or results may differ materially from those expressed or implied in the forward-looking statements. The risks, uncertainties, assumptions and other factors that could cause actual events or results to differ from the events or results predicted or implied by our forward-looking statements include 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, 2021, and in our subsequent Quarterly Reports on Form 10-Q. These reports are available on our investor relations website at lkqcorp.com and on the SEC website at sec.gov.

This presentation contains non-GAAP financial measures. Included with this presentation is a reconciliation of each non-GAAP financial measure with the most directly comparable financial measure calculated in accordance with GAAP.

LKQ Keeping you moving

Agenda

(all times are CST)

8:00 - 9:00AM	**Registration**
9:00 - 9:05AM	**Welcome**
9:05 - 9:30AM	**Nick Zarcone-President & Chief Executive Officer**
9:30 - 9:50AM	**Wholesale North America** Justin Jude-President, Wholesale North America Rick Galloway-Chief Financial Officer, Wholesale North America
9:50 - 10:05AM	**Self Service** Mike Dufresne-Vice President, Self Service
10:05 - 10:30AM	**Break**
10:30 - 10:50AM	**Europe** Arnd Franz-Chief Executive Officer, LKQ Europe Yanik Cantieni-Chief Financial Officer, LKQ Europe
10:50 - 11:10AM	**Specialty** Bill Rogers-Senior Vice President, Specialty Gary Mann-Vice President & Controller, Specialty
11:10 - 11:30AM	**Financial Overview** Varun Laroyia-Executive Vice President & Chief Financial Officer, LKQ Corporation
11:30 - 12:15PM	**Q&A/Closing Remarks**

Nick Zarcone

President & Chief Executive Officer

Keeping you moving

Our Mission

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

LKQ

Keeping you moving

Our mission is underpinned by a set of clear core competencies and strengths

CORE COMPETENCIES AND STRENGTHS

- Far-reaching aftermarket parts distribution in growing markets
- Industry-leading aftermarket and salvage procurement
- Insurance / customer / MSO relationships and B2B e-commerce
- Highly effective product cataloguing
- Efficient inventory management and best-in-class availability
- Investments in businesses fitting our core competencies
- Market-leading positions and unmatched footprint

To achieve this mission, GEAR forward provides a strong framework to define a clear strategic roadmap

Grow
Diversified Offerings

Grow offerings including services and take share through continued core business improvement

Expand
Global Footprint

Identify and analyze new potential geographic growth markets to enter

Adapt
To Evolving Technology

Monitor megatrends, assess long-term threats & opportunities and position LKQ for the future

Rationalize
Asset Base

Examine current businesses, drive margin improvement and execute transformations

In 2019, we set Four Key Priorities

Profitable Growth

Enhance Margins

Cash Flow Generation

Talent Acquisition

We aligned our financial goals and our corporate strategy

Operational Excellence (2019 – Future)

1. Strategy	• Drive operational excellence throughout the enterprise
2. Incentives	• Incentivize operational efficiency through organic growth, accretive margins, and judicious working capital management
3. Capital Allocation	• Utilize Free Cash Flow for highest return investments available
4. Balance Sheet	• Moderate leverage to support organic investment and long-term equity returns

Since 2019

- ☑ **North America & Specialty witnessed highest margins in the company's history**
- ☑ **Made permanent cost structure changes, while navigating the pandemic**
- ☑ **Generated highest free cash flows in Company's history**
- ☑ **Executed on share repurchasing program and initiated a quarterly dividend**
- ☑ **Delivered on our initial 1LKQ Europe Margin targets**
- ☑ **Hired key leaders across all our reporting segments**

We changed our performance-based compensation programs to reinforce our strategic direction

Annual incentive program to focus management on profitability and the optimization of cash flow

LTIP performance metrics tied to organic parts and services revenue growth, adjusted EPS and ROIC

Shifted 50% of long-term incentives from cash to performance share units

Align interests of LKQ's Board and executives with our shareholders

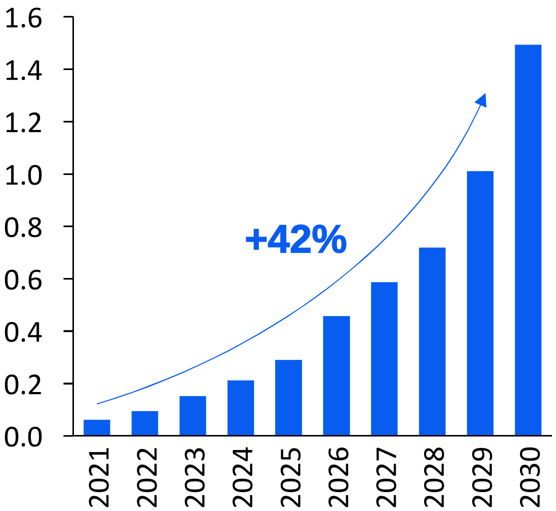
All of LKQ's compensation plans are designed to create a pay-for-performance culture

	2018	2022
Annual Cash Incentive	• **Adjusted Diluted EPS (100%)**	• **EBITDA (30%)** • **EBITDA as a % of Revenue (30%)** • **Free Cash Flow (40%)**
LTIP	• **Revenue Growth (42.5%)** • **Adjusted Diluted EPS (42.5%)** • **ROE (15%)** • **100% Cash-Based Plan**	• **Organic Revenue Growth (40%)** • **Adjusted Diluted EPS (40%)** • **ROIC (20%)** • **Executive's 3-year long-term incentive plan is now 50% PSUs and 50% Cash** • **Added an ESG component to our cash long term incentive awards beginning with the 2021-2023 performance period**

Key market trends create opportunities for growth

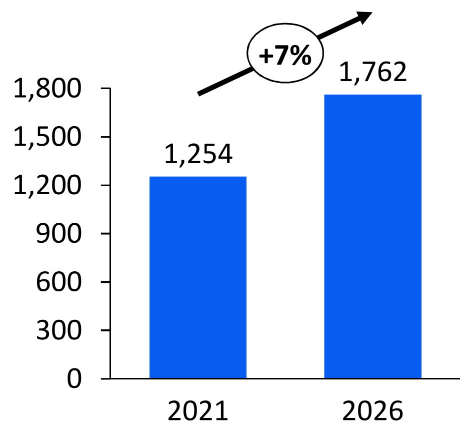
Trend	Opportunity	Trend	Opportunity
Vehicle Electrification	**NiMH Battery Reconditioning and Installation**	**Vehicle Technology**	**Remote | Mobile Services**

8+ yrs of age US BEV VIO in M



- Proprietary technology for hybrid battery reconditioning
- Battery installations at customer-preferred location
- Strong platform for Li-Ion BEVs

US Market for Diagnostics, Calibration and Complex Sublet Repairs in $Bn



LKQ

The Largest Auto Recycler in the World

At LKQ, we create a **circular economy** by **selling used parts** and distributing spare parts to the vehicle industry.

Recycling, remanufacturing, and reusing car parts are part of our DNA: Our operations **recover more than 90%** of the vehicle.

180	780,000	1.4M	1.1M	740,000	2.1M
Recycling Facilities	Vehicles Procured	Catalytic Converters	Tons of Scrap	Batteries	Tires

ESG Focus Areas

Carbon Footprint & Recycling

Employee Engagement

Talent Development

Diversity, Equity & Inclusion

Sustainable Supply Chain

Community Support

Our ESG Goals

Our Environment:

30%

By 2030, reduce global Scope 1 and Scope 2 emissions by 30% compared to the 2021 baseline relative to revenue.

Net Zero

By 2050, achieve net zero emissions across our operations.

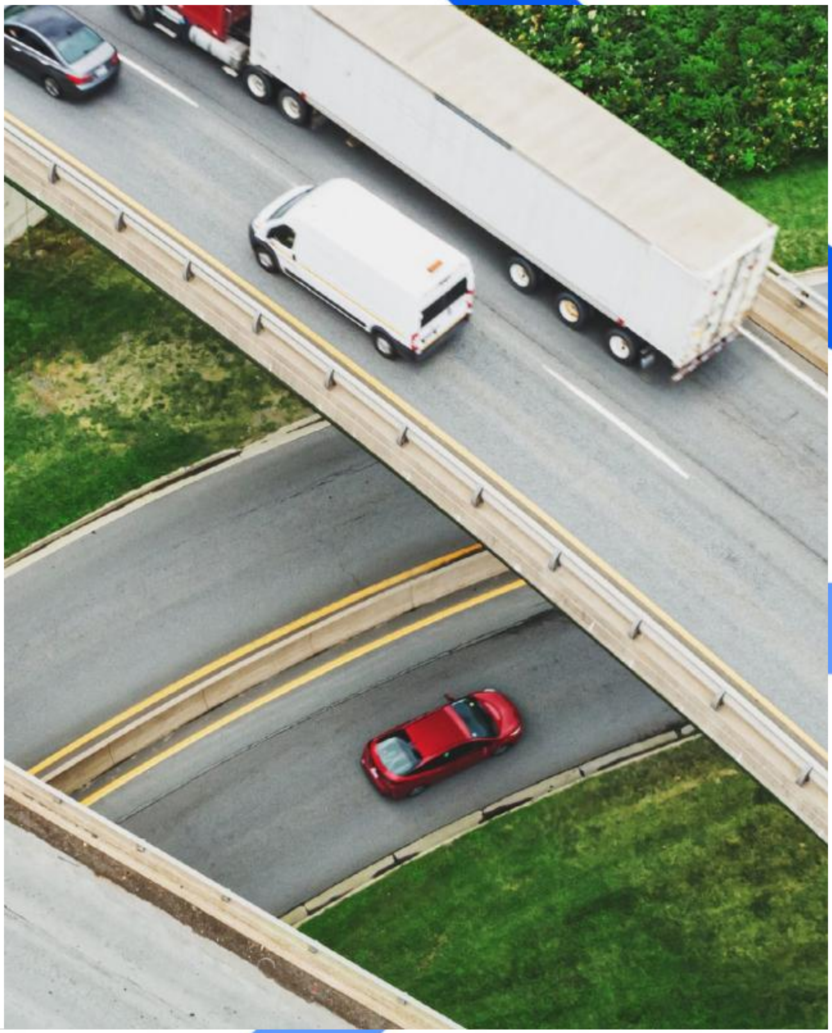
Our People — Employee Engagement:

73%

By 2025, achieve 73% participation in our employee engagement survey and overall engagement score of 76.

78%

By 2030, achieve 78% participation in our employee engagement survey and overall engagement score of 78.



Sustainability Report Highlights

13.8M

Recycled Parts Sold

~2.2M

Gallons of Waste Oil

~208,000MWh

Electricity Saved

~43,000 Tons

CO_2 Saved

~3.9M

Gallons of Fuel

We are creating a more sustainable business with a goal of reducing our emissions by 30% by 2030 and achieving net zero emissions across our operations by 2050.

Methodology based on information from: www. mdpi.com, www.carbonclean.com, www.bdsv.org, McKinsey & Company and www.onetreeplanted.org.

Our Strategic Plan:
Embed Operational Excellence Across the Global Enterprise

Profitable Growth

Enhance Margins

Cash Flow Generation

Talent Acquisition

Sustainable Targets

Annual Organic Revenue Growth without Inflation Impact

2.2% to 3.2%

Average Annual Organic EBITDA Margin Improvement

15 bps to 25 bps

Minimum Sustainable Free Cash Flow

≥ $1 billion

Wholesale North America

Justin Jude – President
Rick Galloway – Chief Financial Officer

LKQ Keeping you moving

North America leader for Alternative Parts, Recycled OEM, Remanufacturing, and Diagnostics Services

$4.4B[1]	17.6%	~12.6K	459
2021 Revenue	2021 EBITDA Margin	Employees	Locations

- Aftermarket
- Recycled OEM
- Auto Parts Outlet
- Heavy Duty Truck
- Diagnostic Services

What do we do…

Aftermarket

- Leading provider of aftermarket collision repair parts
- Paint, Body & Equipment
- Radiators and Condensers

Recycled OEM

- Leading provider of recycled OEM collision parts
- Leading provider of recycled engines and transmissions

Remanufacturing

- Engines and transmissions
- Rear axles and turbos
- Hybrid battery reconditioning

Services

- Calibration, Mechanical, Electronic, & Diagnostic
- Mobile coverage in 55 markets
- Remote offering in all US and some Canada

LKQ

[1] PGW Auto Glass business divested in April 2022; $0.4B, ~1k employees, and 118 locations included in these 2021 numbers

LKQ wins through scale, strong value propositions, and strategic partnerships

Extensive distribution network

95% of customers delivered by LKQ's fleet (over 4,000 vehicles)

Industry leading fill-rates

Highly fragmented space

Value proposition



	2014 Ford F-150 **Hood**	2018 Nissan Altima **Headlamp**	2014 GMC Sierra 1500 **Transmission**
New OEM	$1050	$471	$3,193
Remanufactured	N/A	N/A	$2,499
Recycled OEM	$740	$310	$2,100
New A/M	$924	$419	N/A
Competitor	$815[1]	$348[1]	$2,600[2]
Average Savings to OE	21%	23%	28%

1) Aftermarket competitor *2) Remanufactured competitor*

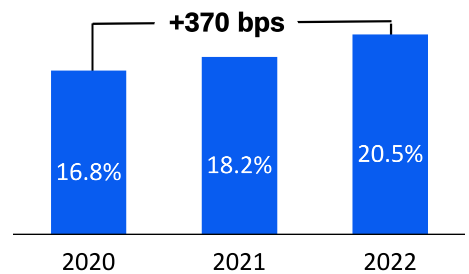
Strong relationships with top insurance carriers

Carrier Partners
31.8%

Defined Supply Agreements
68.2%

Partnering with national multi-shop operators (MSO)

Top 3 U.S. MSOs increase in market share



CALIBER COLLISION

gerber COLLISION & GLASS

ServiceKing COLLISION REPAIR CENTERS

2020 Investor Day introduced LKQ North America Wholesale's drive to profitable growth and operational excellence

	Growth and Establishment 2006-2017		Expansion 2018 & Beyond
Business Focus	• Top-Line Revenue Growth • Significant Acquisitions	→	• Profitable Revenue Growth • Strategic/Tuck-in Acquisitions
Commercial	• Minimal focus on customer profitability • Deliver at all costs • One more part on the truck	→	• Exit margin dilutive business • Focus on customer value proposition • Grow customer share of wallet
Operational	• Capitalize on acquisition synergies • Level one integration • Expanding workforce	→	• Establish continuous improvement • Align incentive plans • Strategically upgrade talent
Cash	• Cash generation not a priority • Significant growth in working capital • Utilize liquidity for acquisitions	→	• Highly focused on cash generation • Improve trade working capital • Establish capital investment ROIC

Business Focus – making strategic investments and continuing to deliver

Investment in diagnostics strengthens Services business

- Developed the largest independent US provider of mobile vehicle diagnostics, ADAS calibration, electronics and mechanical services
- Services business helps diversify and has been margin accretive

LKQ poised for share growth following supply chain challenges

- 12% increase in salvage yard capacity in 2021, with more pending
- Demand improving
- Limited by supply chain
- Fill rate improvements will position LKQ to win share and grow revenue

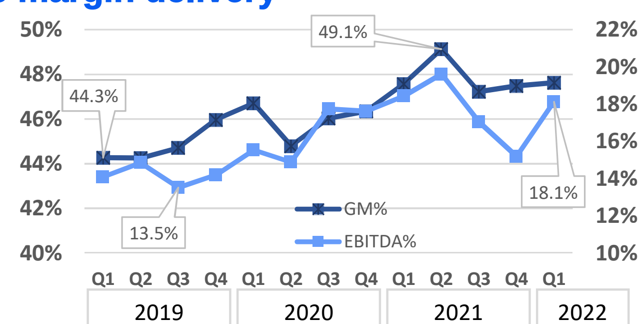
Other strategic investment in Remanufacturing for future growth

GREEN BEAN BATTERY COMPANY

Bumblebee Batteries, LLC

- Important steps into battery reconditioning
- Sector has a strong future based on anticipated megatrends

Reliable margin delivery



- Disciplined pass-through of uncontrollable costs

Commercial - Actions have led to a customer-focused value proposition while increasing LKQ's share of APU wallet

Exiting non-core operations

- Sale of aftermarket glass business closed on April 18, 2022
- Not synergistic to LKQ and margin dilutive

Consistent growth despite industry headwinds

- Impact of hybrid working on congestion patterns
- Advanced Driver-Assistance Systems (ADAS)

- Organic growth
- Strategic investments
- Proprietary sales enhancement software

Enhanced our offering to collision shops

Aftermarket and OEM recycled collision parts

Paint, body and equipment

Vehicle Services

Developed and implemented Sales Assistant[1] tool

- Using data to help sales reps sell incremental volume
- Initial use of Sales Assistant has demonstrated achievement of 6% incremental revenue
- Sales reps' adoption of the tool has increased from 45% to 78% in the past year

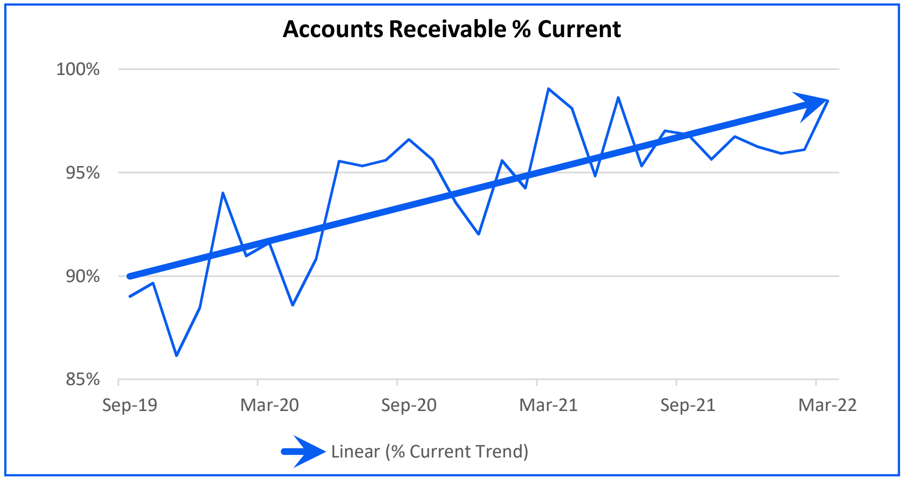
[1] Sales Assistant is an internally-developed software solution which helps identify incremental selling opportunities in real time

Operational Excellence will continue to help expand margins and deliver Cash

Operational Excellence

- Continued improvement using Artificial Intelligence for salvage procurement
- Network Optimization software driving strategic decision making
- Organization structure changes enhancing process improvement
  - Lean Daily Management rolling out across all regions

Delivering Improvements in Trade Working Capital*



- Partnering with customers to reduce past due balances
- Utilizing lean processes to drive sustainable DIOH improvements
  - Note: today's Inventory levels are not sustainable and will need to be replenished as supply chain constraints ease

Management is committed to clear and concise objectives

1 **Business Focus**

- Continued investment in margin enhancing services segment
- Strategic investment is expanding reman product offerings
- Poised for share growth following supply chain challenges

2 **Commercial**

- Organic revenue growth continues to rebound following COVID-19
- Proprietary sales tool driving incremental revenue
- Expanding product line offering to collision shop customers
- Exit from non-core glass business

3 **Operational Excellence**

- Focus and investment in Lean operating system
- Daily management roll out
- Network optimization

4 **Cash**

- Improved profitability
- Strategic Capital investments
- Accounts receivable success

Sustainable Targets

Annual Organic Revenue Growth without Inflation Impact

2.0% to 3.0%[1]

Average Annual Organic EBITDA Margin Improvement

10 bps to 30 bps

Drive FCF through continued optimization of trade working capital

[1] Excluding impact of metal commodity price fluctuations

Self Service

Mike Dufresne – Vice President

LKQ Keeping you moving

LKQ’s Self Service segment has the largest national footprint with opportunity for continued growth

2021 Revenue: $787M | 2021 EBITDA Margin: 22.3% | ~1,650 Employees | 69 Locations

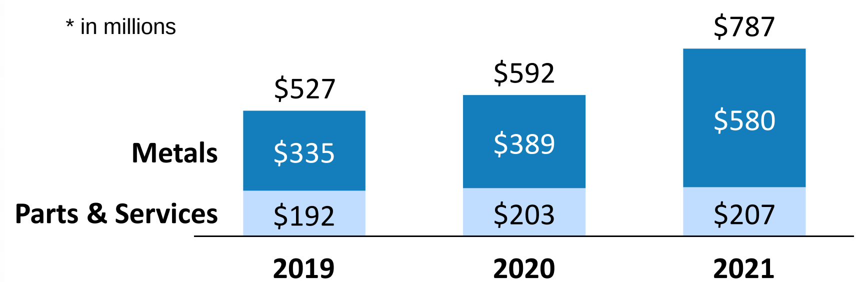
Self Serve Statistics	
Vehicles procured	554K
Scrap (tons)	838K
Tires	1,248K
Batteries	522K
Waste oil (gallons)	1,513K
Fuel (gallons)	2,517K

Competition

National
- Schnitzer
- Nucor

Regionally fragmented
- Pull a Part
- U Pick
- I Pull U Pull

Revenue* growth in metal, parts & services



Self Service Strengths & Capabilities

People

- Extensive industry experience
- Entrepreneurial spirit
- Results oriented
- Deep roots in local communities

Process

- Disciplined & systematic inventory sourcing and management
- Industry leading yields on cores and parts
- Best practices and standard operating model

Customer offerings

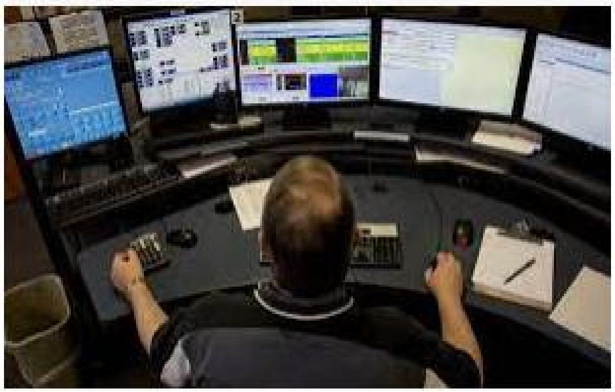
- Best on-site inventory
- Extensive geographic footprint
- Superior guarantee programs
- Premium & foreign vehicle inventory

Digital

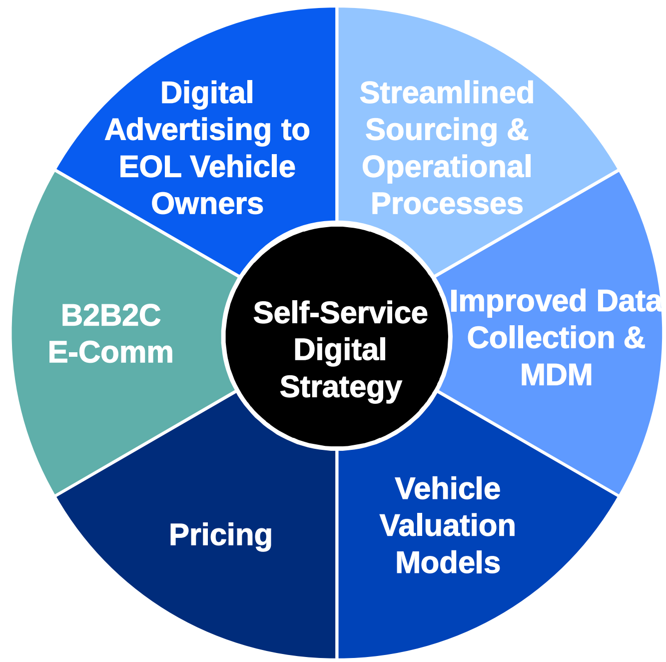
- Digital app for improved customer experience
- Listing current vehicles on lot
- Push notifications for vehicles of interest
- Sales and customer specials communicated through app

Select Self Service strategic initiatives

Initiative 1: Centralized Buying and Dispatching

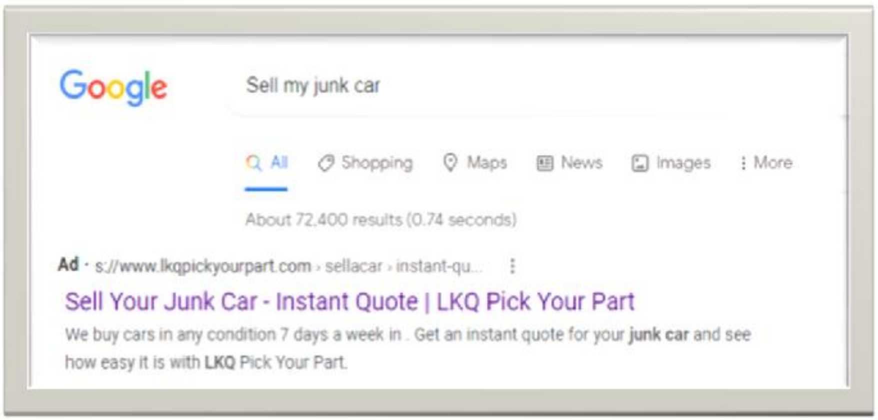


Initiative 2: Execute Digital Strategy

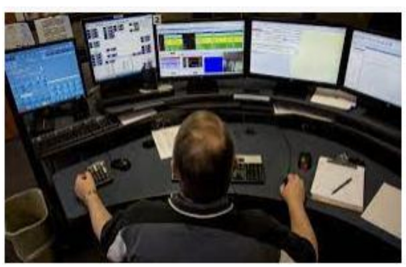


Optimization of online marketing along with enhancements in dispatch will lead to increased revenue and profitability

1) Enhance Search Engine Marketing and Optimization



2) Centralized Dispatch and Internal Fleet Management



Outcome of initiatives

Marketing

- Improves hit rate within search engines
- Drives increased online traffic
- Earns higher trust with customers

Operations – Centralized & Internally Managed Towing Fleet

- Directly transfer vehicle leads to central dispatch agents
- Eliminate inefficiencies using third party towing agents
- Reduce quote to pickup turnaround time by at least 50%

A superior digital strategy will help to drive further differentiation between Self Service and its competition

Digitization

Digital Advertising to EOL Vehicle Owners

- Increase street buy leads through improved Search Engine Marketing (SEM) & Search Engine Optimization (SEO)

Streamlined Sourcing & Operational Processes

- Centralizing buying and dispatching
- Quote to vehicle pickup in 2 hours

B2B2C E-Comm

- Utilize data to identify parts frequently sold on online marketplaces
- Enhance web presence to meet online channel demand

Improved Data Collection & MDM

- Track part sales data
  - Improve customer experience
  - Enhance vehicle procurement values

Pricing

- Develop dynamic pricing model
  - Utilize interchange data and demand
  - Increase part sales volume

Vehicle Valuation Models

- Develop similar valuation process to full-service business that generates optimized vehicle bids based on existing inventory and known customer demand

Self Service segment has a strong focus on operational excellence driving improved profitability, order to cash and overall customer experience

1. Developed an operational hedge on commodities converting procurement to cash between 30 to 90 days, decreasing impact of market fluctuations

2. Our exceptional people combined with LKQ enterprise proprietary data allows the Self Service segment continued growth and profitability

3. Utilizing our digital strategy will help drive better sourcing of vehicles along with enhanced product offerings leading to a better customer experience

LKQ

LKQ Europe

Arnd Franz – Chief Executive Officer, LKQ Europe
Yanik Cantieni – Chief Financial Officer, LKQ Europe

LKQ Keeping you moving

LKQ Europe

Unmatchable Footprint

1,000 locations serve 100,000+ workshops multiple times per day

Excellence & Scale

Resilient business, leading margin, capital efficiency and long-term growth

Innovation

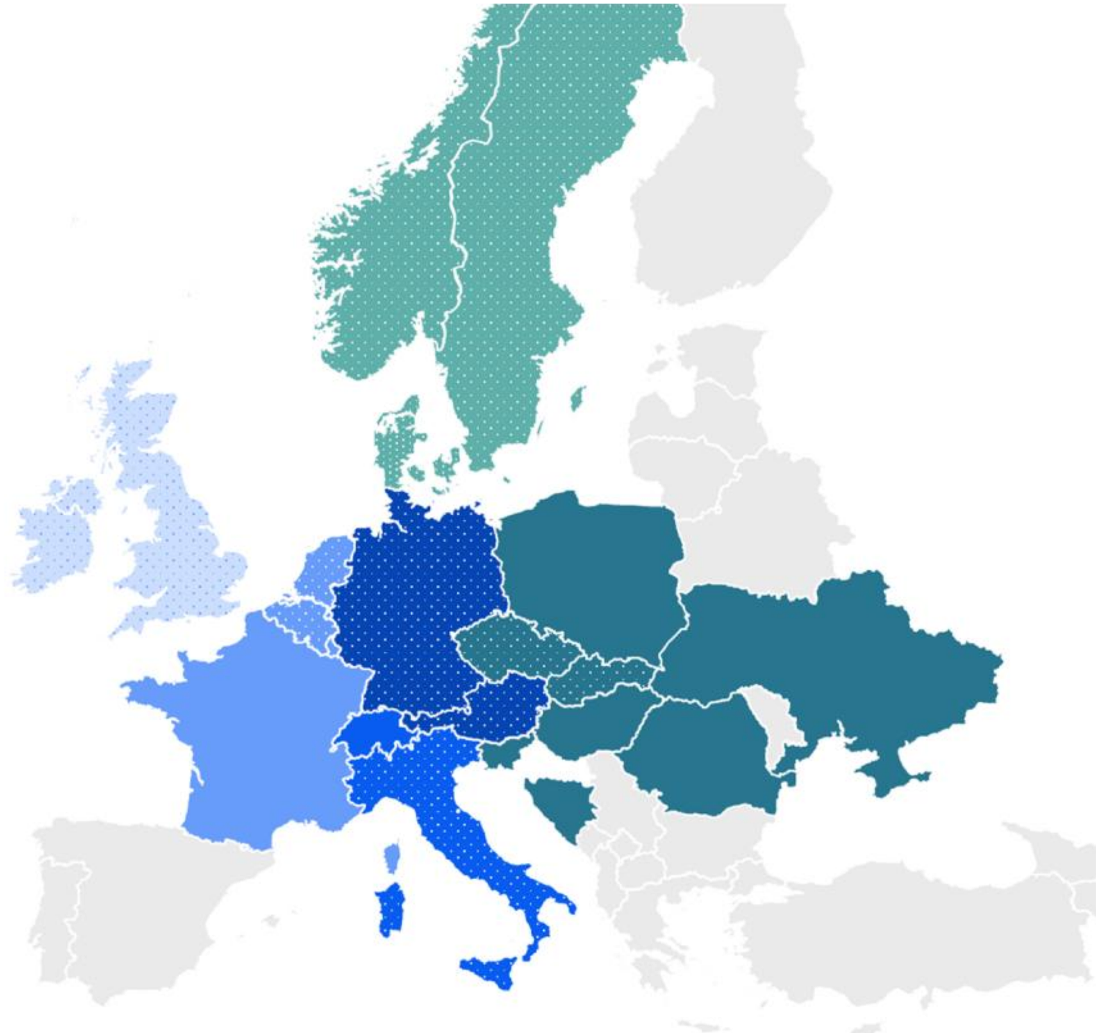
Seamless digital experience and first to market in electrification

Leader in Sustainability

Used parts, remanufacturing and CO2 footprint strategy

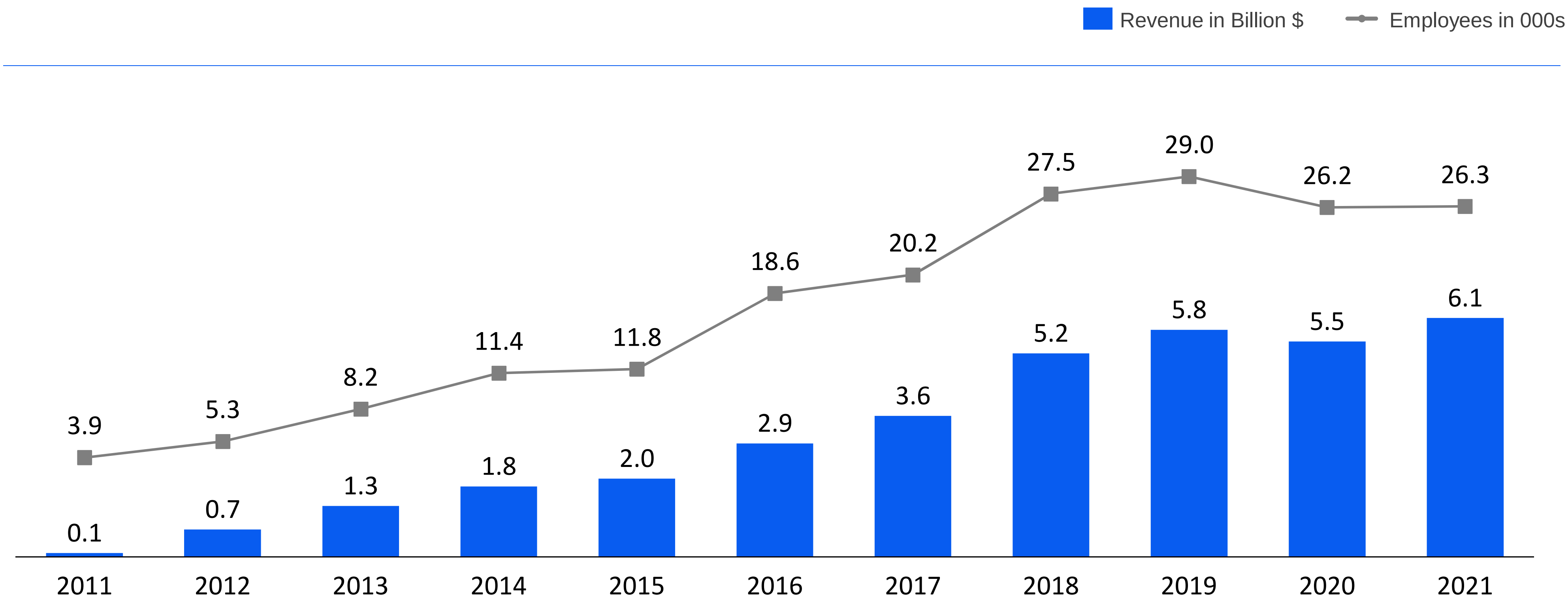
LKQ Europe

20 Countries	**26,300** Employees
1,000 Branches	**$6.1B** Revenue 2021
10,000 Franchise workshops	**900,000** Unique SKUs
100,000 Independent workshops	**#1** Ranking in Europe

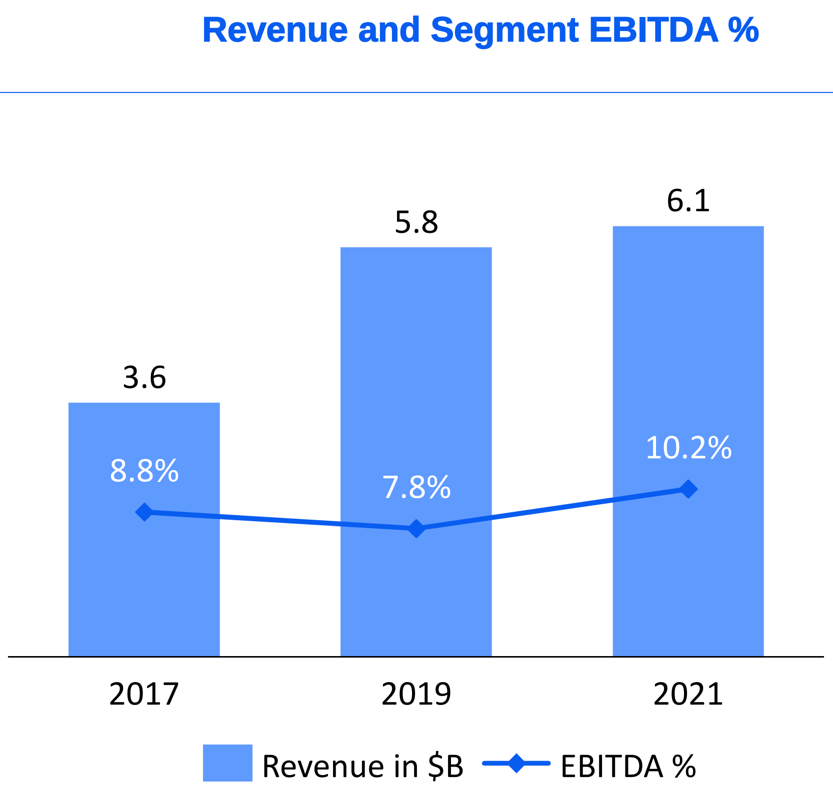


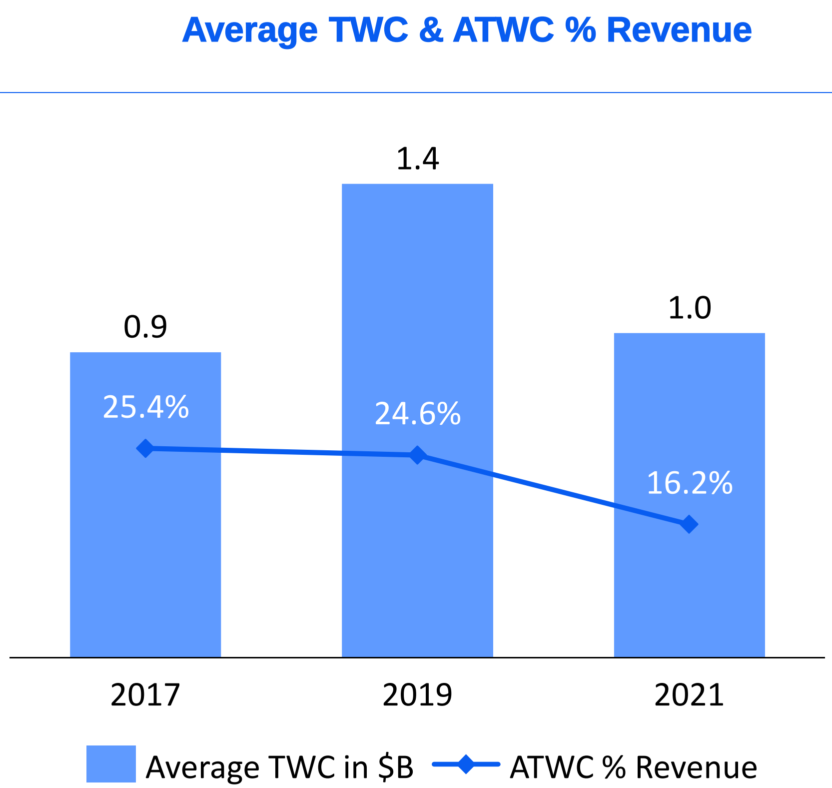
Patterned Fill indicates countries where LKQE is market leader

LKQ Europe Growth Story



Double Digit EBITDA through Margin Improvement & Productivity





Average Trade Working Capital = Receivables, Net + Inventories – Accounts Payable, calculated as trailing twelve months

Margin & Cash Flow Improvement

Procurement, Product Management, Revenue Optimization and Asset Rationalization

Asset Rationalization

10bps EBITDA Improvement

Procurement Initiatives

$85M Improvement

Payment Terms & Supply Chain Financing

$300M TWC Improvement

Category Management

132 Suppliers Consolidated in 2021

Private Label

$210M Revenue Growth

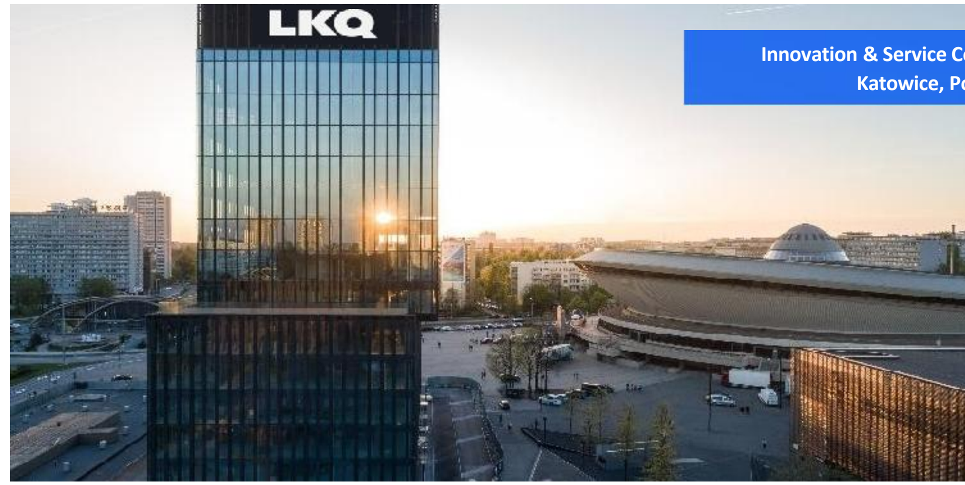
Revenue Optimization

$38M Improvement

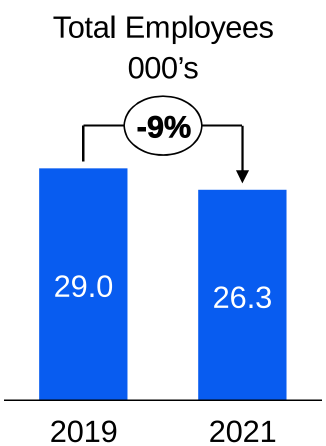
Note: Average Trade Working Capital = Receivables, Net + Inventories – Accounts Payable, calculated as trailing twelve months

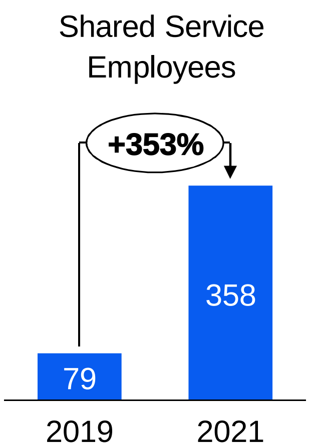
Productivity & Shared Services

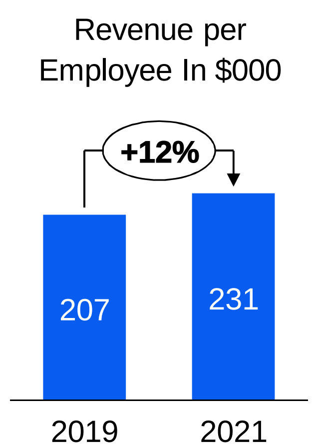
- FTE Productivity / Cost Benefits
- Jobs in Digitalization, Innovation & Administration
- Boost LKQ's Digital and Innovation Strategy
- Process Excellence & Standardization

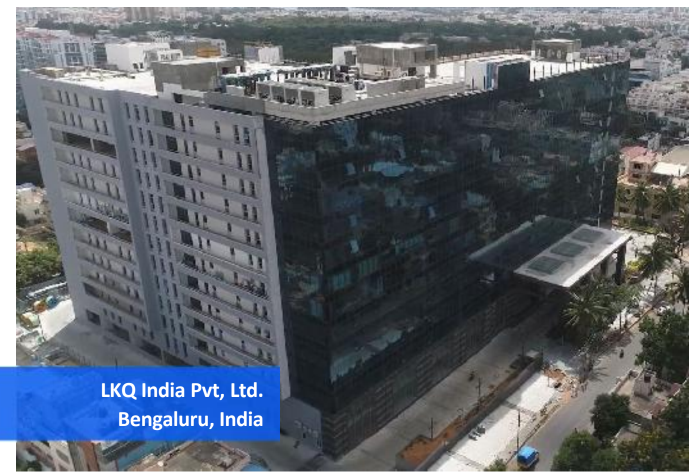


Innovation & Service Center
Katowice, Poland









LKQ India Pvt, Ltd.
Bengaluru, India

Operational Excellence is Continuing

1 Network Design
- Closed 100 branches / Revenue per Branch +14%

2 Consolidation of Infrastructure
- Powerful distribution centers in key markets

3 Pan European Inbound Freight / Transport Contracts
- Freight and transport consolidation

4 Replenishment Route Optimization
- >10% cost reduction potential

5 Inventory and Demand Planning
- DIO reduced by 9 days ’21 vs.‘19 with 97% customer fill rates

6 Warehouse Operations / Productivity
- 90+ Order lines per man hour picking speed

7 C02 Emission Reduction
- Goal: 30,000 Tons reduction of annual CO2 emissions by 2030

Tomorrow’s Market Environment

Vehicles in Operation in Europe

Passenger cars and light commercial vehicles, EU+EFTA+UK

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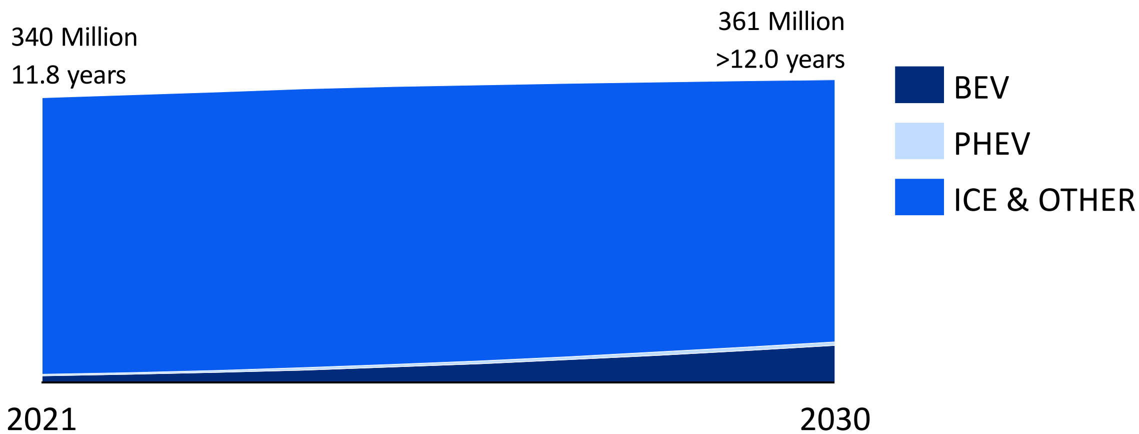
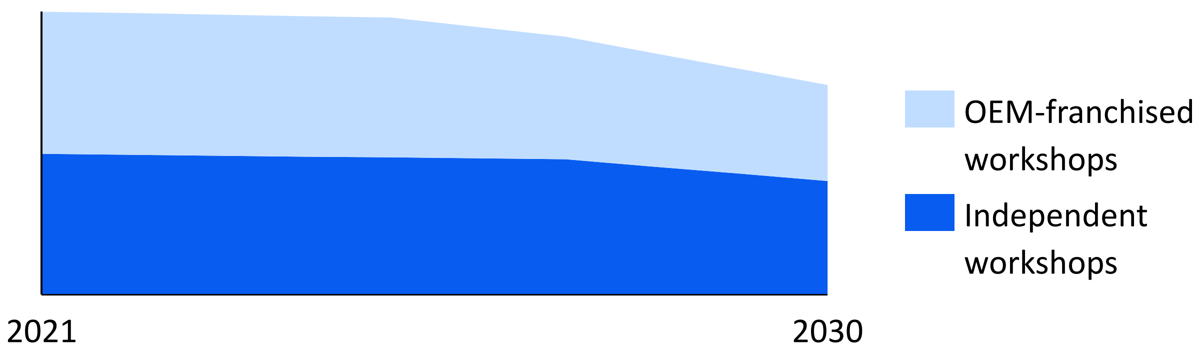


- Market Growth
- Late impact of Electrification on Independent Aftermarket

European Auto Service Outlets



- Consolidation of Service Points
- Market Share Gains for Independent Workshops

Trends in Auto Service
Our Focus

Car park

Digital channels
& interfaces

Electrification

Connectivity

Driver assistance
systems

Shared mobility

Workshop of the Future

CUSTOMERS

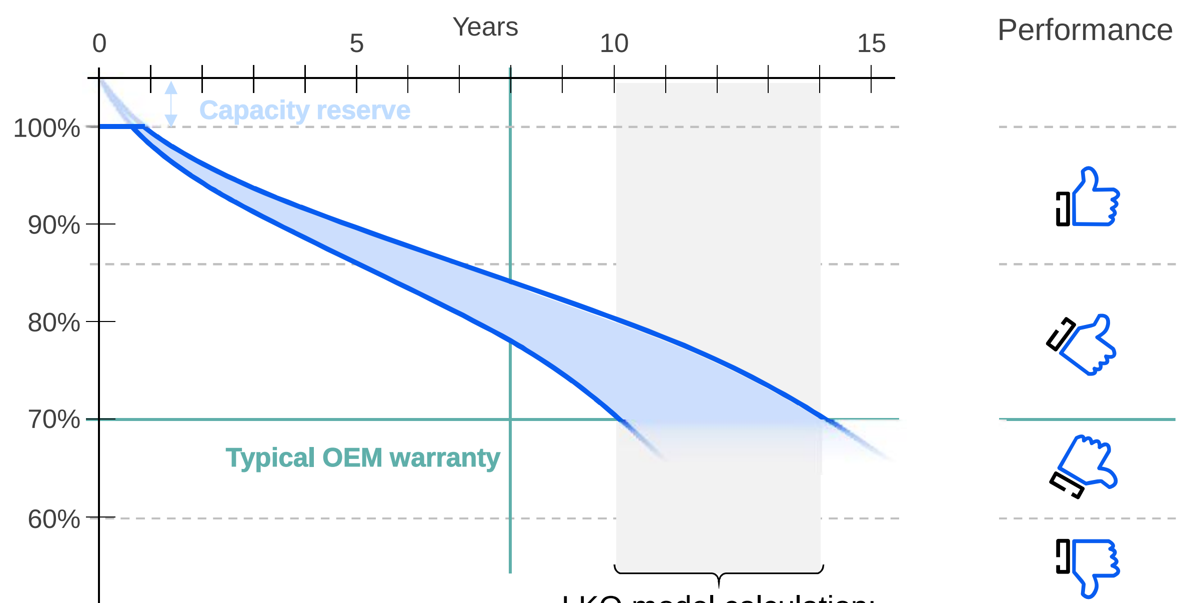
- Private
- Fleets
- Insurances
- OEMs
- Corporates

Capacity of Traction Batteries Will Deplete Over Lifetime of the Vehicle

- Temperature
- Charging / discharging behavior
- Depth of discharge
- SOC / voltage state
- Production quality
- Time

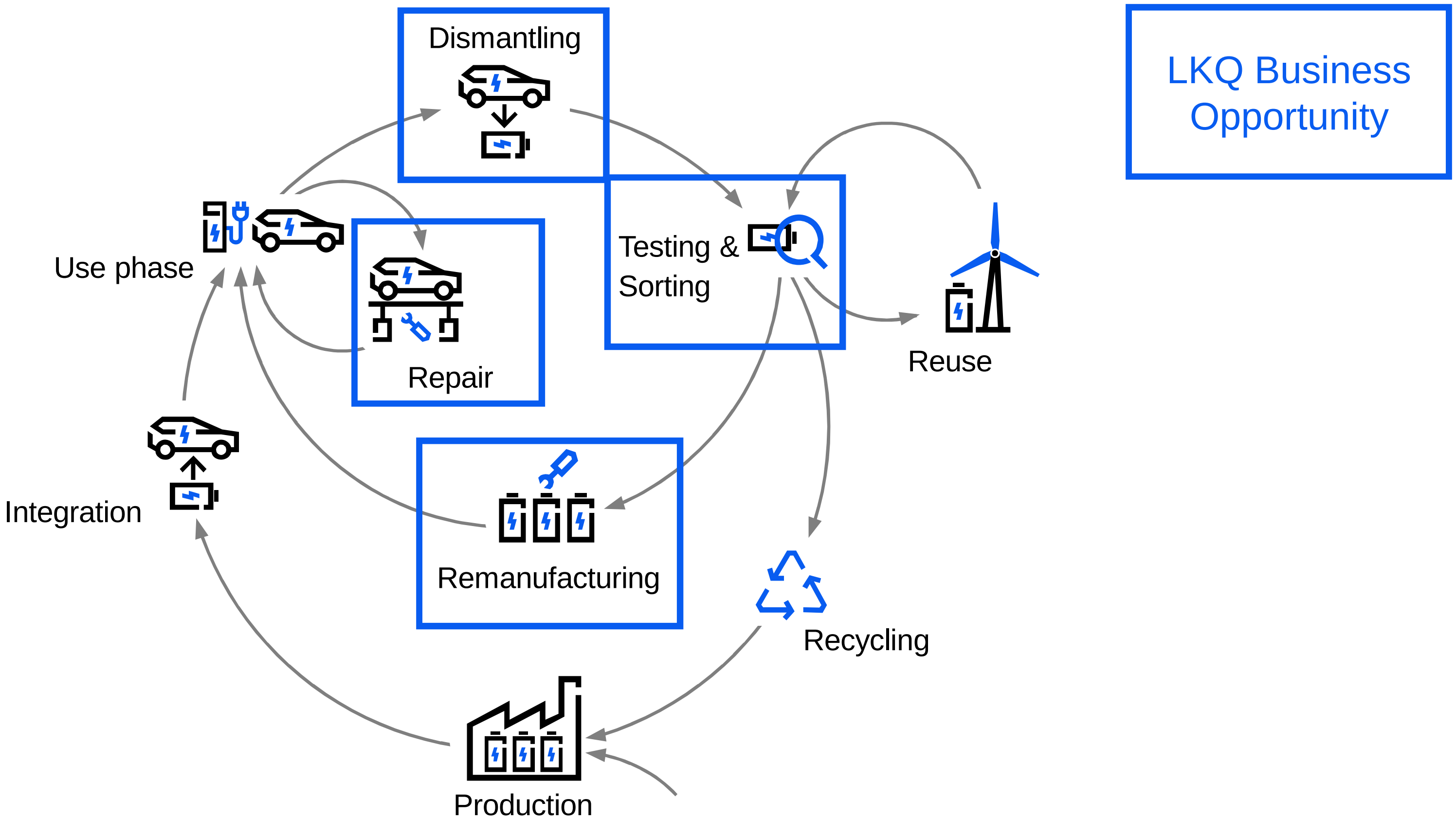
Battery State of Health (SOH)

% of original nominal capacity.



LKQ model calculation:
64% of batteries reach EOL
between 10 and 14 years of age

Electrical Vehicles Will Create New Business Opportunities in the Aftermarket



Operational Excellence With Innovation: LKQ Europe Strategic Objectives

01 Gross Margin Improvement
- Procurement & Product Strategy
- Revenue Optimization
- Private Label

02 Operational Excellence
- Logistics
- Branch Network
- Shared Services

03 Enhance Customer Engagement - Digital & Beyond
- Virtual Platforms
- Websites
- Garage / Workshop Enhancements

04 Position for the Future
- Electrification
- Data & Diagnostics

Sustainable Targets

Annual Organic Revenue Growth without Inflation Impact
2.5% to 3.5%

Sustainable Annual EBITDA Margin
> 10%

Drive FCF through continued optimization of trade working capital

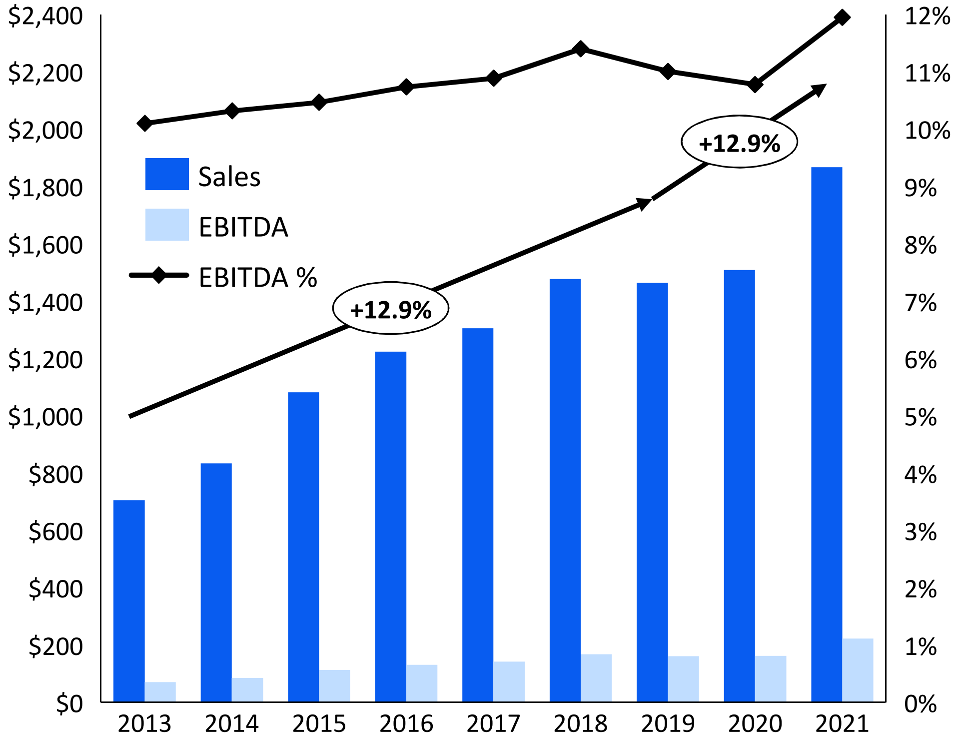
Specialty

Bill Rogers - Senior Vice President
Gary Mann - Vice President Finance

LKQ Keeping you moving

Despite the COVID-19 pandemic and global supply chain issues, Specialty has made tremendous progress in the last 2 years

Specialty Financial Performance $ in M

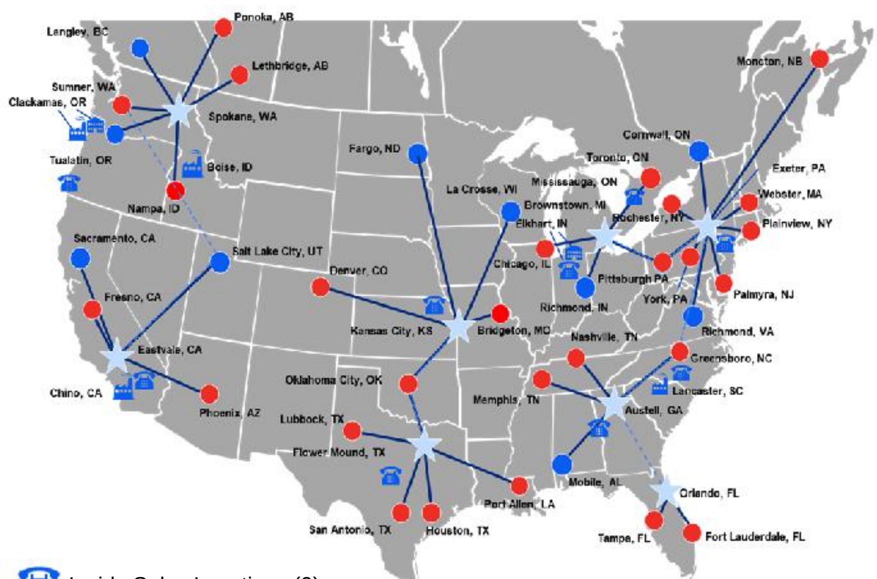


Key Accomplishments since 2019

12.0%	Organic 2019 – 2021 Revenue CAGR
12.0%	2021 EBITDA Margin – Highest Since Establishing the Specialty Segment
SeaWide	Entered Marine business
Fabfours, FACTOR 55, FABTECH	Strengthened Our Vertically Owned Brands Business

Our unmatched logistics network and superior delivery capabilities…

Specialty Logistics Network



Inside Sales Locations (9)

Manufacturing Locations (4)

Specialty Cross-Docks (37)

Specialty Distribution Centers (8)

R&D Locations (2)

Order to delivery in less than 24 hours

Big & Bulky – Every Day

~47% Revenue from Big-and-Bulky Products

~15% Big-and-Bulky Revenue CAGR from 2015 – LTM Sept. 2021

~74% Truck & Off-Road Products are Big-and-Bulky

… Are further enhanced by our digitization

Superior Catalog

- 1055 custom catalogs
- Smart search
- Images & video
- Fitment (vehicle specific)
- Category browsing
- Real time inventory

Mobile Application

- Parts search
- Ordering
- Order tracking
- Rapid order
- VIN scan

Digital Tools

- Social share
- Email share
- Flyer share
- Publications
- Surveys
- New-lines / New Products

Interactive Garage (Auto Only)

- Enables consumers to see what their dream build could look like
- Dozens of vehicles
- Thousands of parts
- Direct to cart connection

Robust self-service business tools

Keystone 50 YEARS Automotive Operations, Inc.

- Account Center:
  - ✓ Order/Cancellation history
  - ✓ Invoices
  - ✓ Returns
- Where is my truck tracking
- Build lists

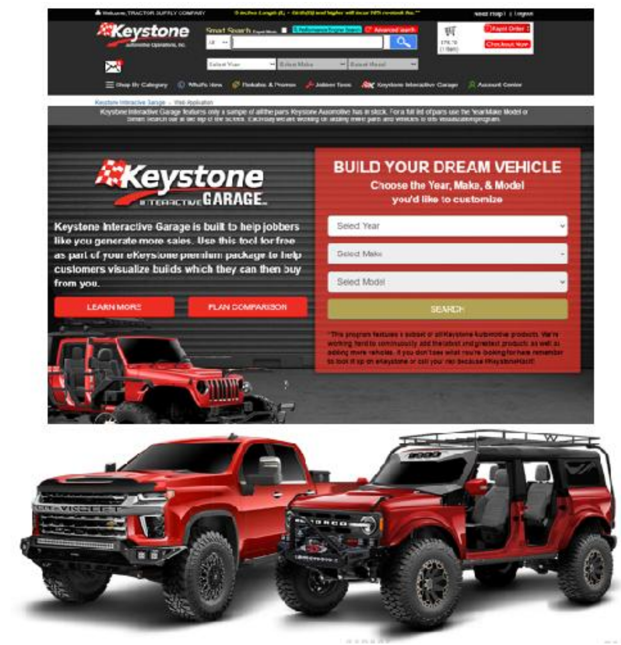
MagniFinder (RV Only)

- Schematics
- Owner's manuals
- Installation manuals
- Wiring diagrams
- Hot-link to Parts ordering

Case-in-point: Interactive Garage

- **Some Usage Data**
  - Over 12,000 Jobbers have the tool on eKeystone
  - 450+ have customized version
  - 500k unique sessions per month
  - Average build time – 9 Mins
- **83 KAO Brands currently included**
- **Now offering Custom version with B to C Cart**
  - Bolts onto Customer's Web Site
- **Participating Suppliers are…**
  - Included in all eKey versions
  - PartsVia.com
  - TurnKey eShop Customer Sites
  - Custom Supplier version for use on your website, shows, sales, etc.

Interactive Garage



- Package developed for multiple top tier brands within the SEMA space
- Participation includes IG tool integration on all KAO B to B and B to C commerce sites

Marine business will benefit from our best-in-class logistics capabilities and digitization

Specialty Expects Accelerated Growth for the New Marine Segment

- Fully integrate Seawide
- Leverage existing Specialty Programs
- Onboard premier marine brands
- Expand into Private Label products
- Significantly grow the customer base

Current Brands

CARVER, DEXTER, FULTON, GARMIN, HUMMINBIRD, LOWRANCE, MINN KOTA, MOELLER, Raymarine, Sierra, SIMRAD, Star brite, Taylor Made

Future Brand Opportunities

Interlux, PETTIT, POWER-POLE

~$9B	**2021E TOTAL ADDRESSABLE MARINE SEGMENT**
~98%	**TOTAL UNTAPPED SEGMENT SHARE**

Marine Parts & Accessories Aftermarket Growth Drivers

We continue to assess adjacent segments for attractive opportunities

Established "Blueprint" for Expanding into Attractive Adjacent Segments

1. Identify Segments
2. Develop Organically
3. Onboard New Products and Customers
4. Acquire and Integrate Other Distributors

Segment	TAM Addition	Five-Year TAM Growth Rate	
Powersports	**~$3.9B** TAM Addition	**5%+** Five-Year TAM Growth Rate	
E-Bikes	**~$2.5B** TAM Addition	**18%+** Five-Year TAM Growth Rate	
PTVs	**~$3.0B** TAM Addition	**7%+** Five-Year TAM Growth Rate	

Proven ability to accelerate growth with M&A in adjacent spaces

Our Strategy is to Drive Continued Profitable Growth in Specialty

1 **Maintain and grow #1 position in core auto & RV markets served**
- New lines & products
- Exclusive brands

2 **Establish strong position in adjacent marine distribution market**

3 **Expand through M&A activity in:**
- "Tuck-in" distribution
- Adjacent space distribution
- Strong product brands

4 **Extend digital ecosystem and capabilities**
- Industry leading B2B e-comm platform
- Preferred e-comm fulfilment partner for digital marketplaces and e-tailers
- Customer and supplier digital services offerings
- Proprietary CRM system

Sustainable Targets

Annual Organic Revenue Growth without Inflation Impact

3.0% to 4.0%

Average Annual Organic EBITDA Margin Improvement

10 bps to 20 bps

Drive FCF through continued optimization of trade working capital

Specialty Summary

Strong leadership position in the markets we serve

Multiple competitive advantages that are very difficult to duplicate

Markets are responding favorably to new environmental conditions

Very strong team responsive to changing market & driving market leadership

Sound business strategy to expand organically and through M&A

Varun Laroyia

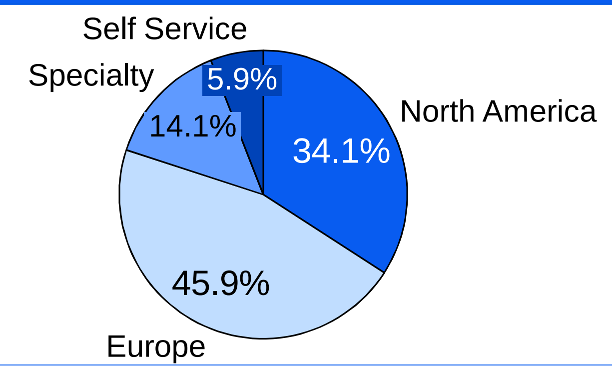
Executive Vice President and Chief Financial Officer

LKQ Keeping you moving

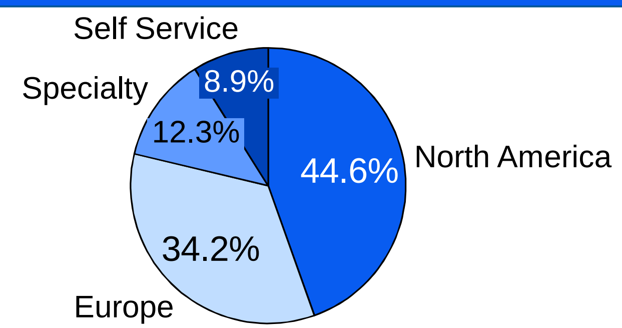
LKQ Financial Snapshot

Financial Measures	TTM Q1 2022 in $M
Revenue	$13,265
Segment EBITDA [1]	$1,781
Net Debt [2]	$2,394
Total Liquidity [3]	$1,595
Market Capitalization [4]	$14,901
Credit Rating [5]	BBB- / BBB- / Baa3

Third Party Revenue [6]



Segment EBITDA [1][6]



(1) Segment EBITDA is a non-GAAP measure. See the Appendix for reconciliations of non-GAAP measures.
(2) Net Debt is a non-GAAP measure. See the Appendix for reconciliations of non-GAAP measures
(3) Total liquidity includes cash and cash equivalents and availability under credit facilities
(4) Based on 5/27/22 closing price of $52.34 and 3/31/22 outstanding shares.
(5) Sources: S&P/Fitch/ Moody's
(6) Reflects TTM Q1 2022

Our Approach to Balance Sheet and Capital Allocation
Sustained Investment Grade Rating and Driving TSR

Balance Sheet Management and Capital Allocation

Driving Increased Organic Growth / Taking Share from Competitors

- Organic growth focus – outgrow markets and continue to expand in near adjacencies
- Capitalizing on market position to take market share in volatile environment
- Substantial barriers to entry ("wide moat") – customers rely on LKQ
- No major transactions on the horizon; possible non-organic growth though "targeted tuck-ins"

Consistent Focus on Profitable Growth and Cash Flows

- Growing profitable revenue from geographically diversified portfolio
- Focus on improving margins through operational excellence initiatives
- Continuous improvements (e.g. 1LKQ Europe incl. Oracle deployment and Shared Services; AI in NA)
- Strong net income to free cash flow conversion since 2H 2018

Capital Allocation to Drive Valuation

- Maintain investment grade credit rating
- Greater capital structure discipline and stability
- Moderate capital expenditures
- Share repurchases and dividends using excess free cash flow

Conservative Leverage Philosophy

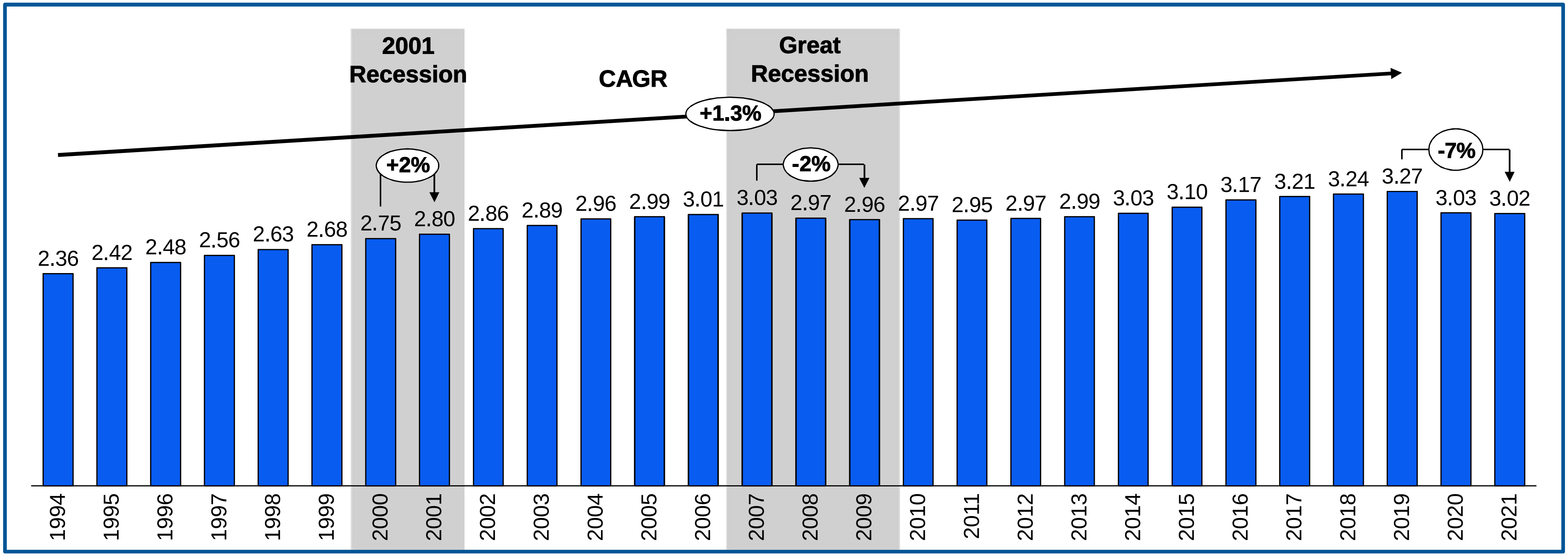
- Target net leverage ratio below 2.0x
- Maintain mix of fixed and floating interest rate debt with maturities spread over 3 – 10 years
- Transition to an unsecured capital structure with investment grade rating to improve financial flexibility

Key Takeaways

- Strong, stable, and market-leading globally diversified business portfolio
- Recession resistant business
- Improving margins and sustainable strong free cash flow
- Disciplined future growth—organic and tuck-in focus
- Investment grade rating provides additional flexibility and enhances valuation

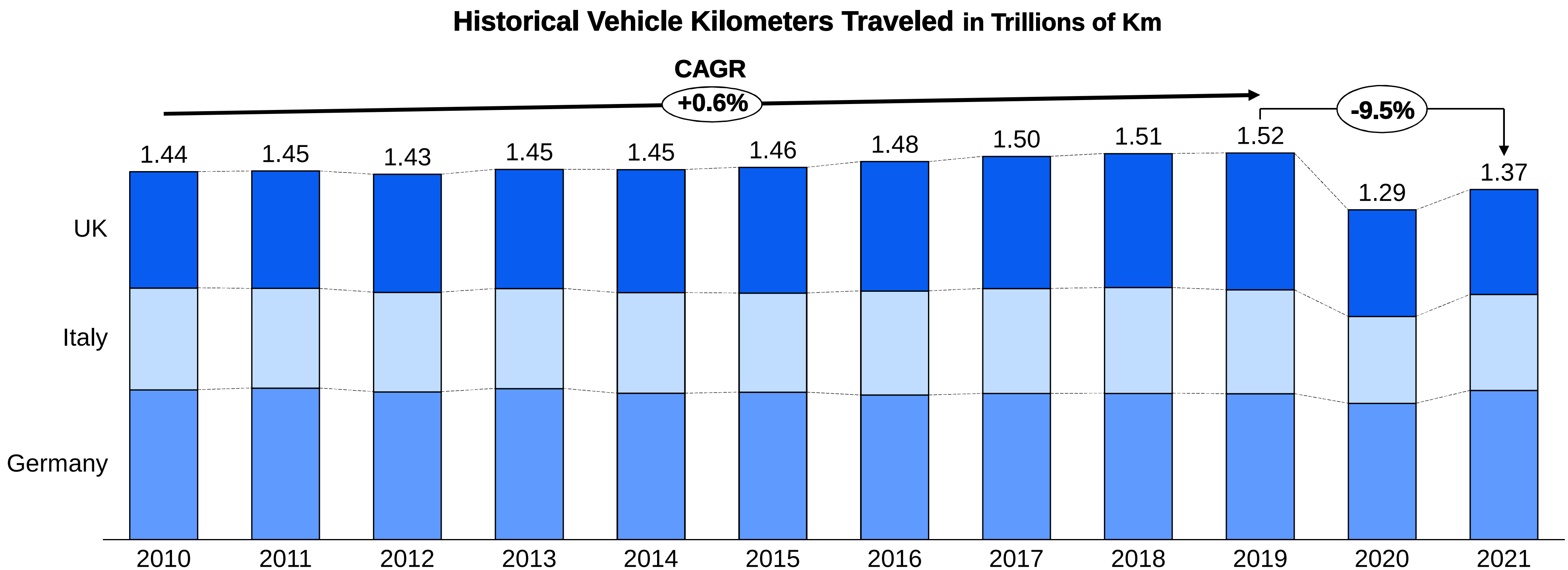
LKQ Operates in a Growing and Economically Resilient Industry

Stable US Vehicle Miles Traveled Provide Consistent Demand for Aftermarket Auto Parts (in Trillions of Miles)



COVID-19 related stay-in-shelter triggered downturn in 2020 and follow on effects in 2021 triggered a unique and rare shock to underlying VMT driven demand… expect recovery similar to prior recessions

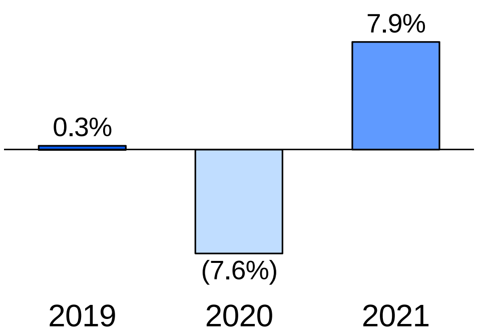
Total Vehicle Kilometers Traveled in Europe Exhibit Similar Patterns as in the US



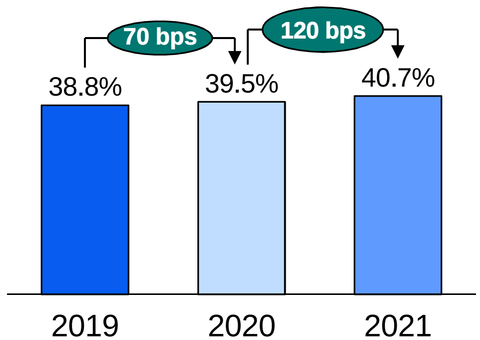
COVID-19 effects caused a decline in last two years, but **over the long run, stable vehicle kilometers traveled** and **aging car parc** provide **steady demand** for aftermarket auto parts

Operational Excellence Program Drives Results

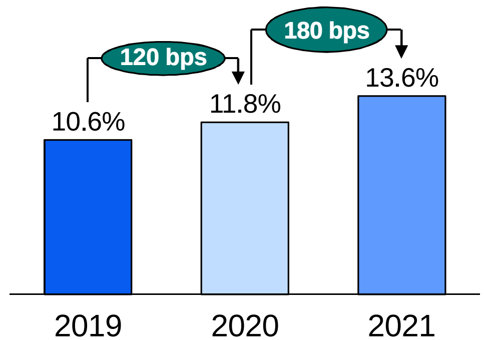
P&S Organic Revenue Growth



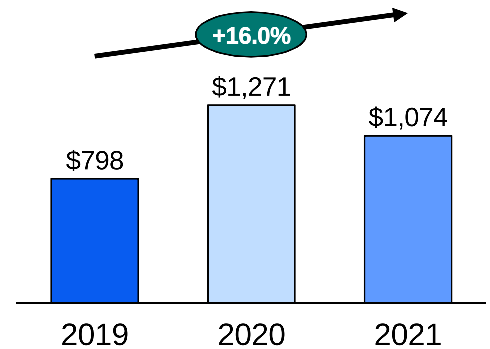
Gross Margin %



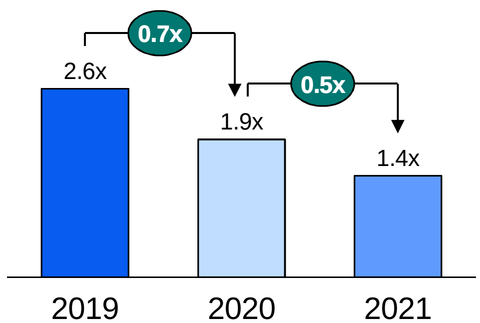
Segment EBITDA % (1)



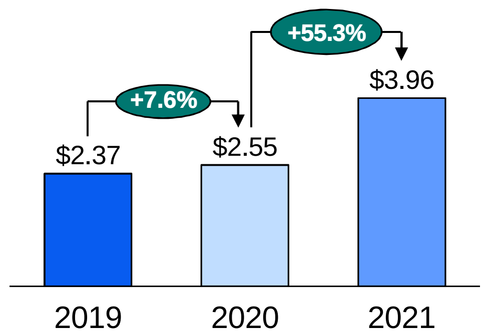
Free Cash Flow (1)



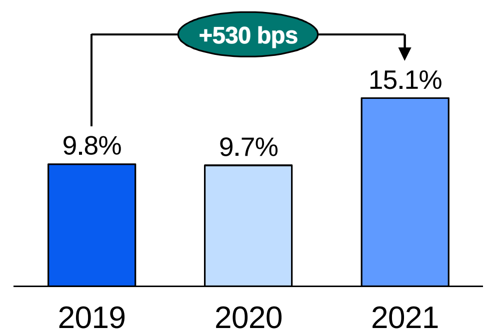
Net Leverage (2)



Adjusted EPS (1)



ROIC (3)



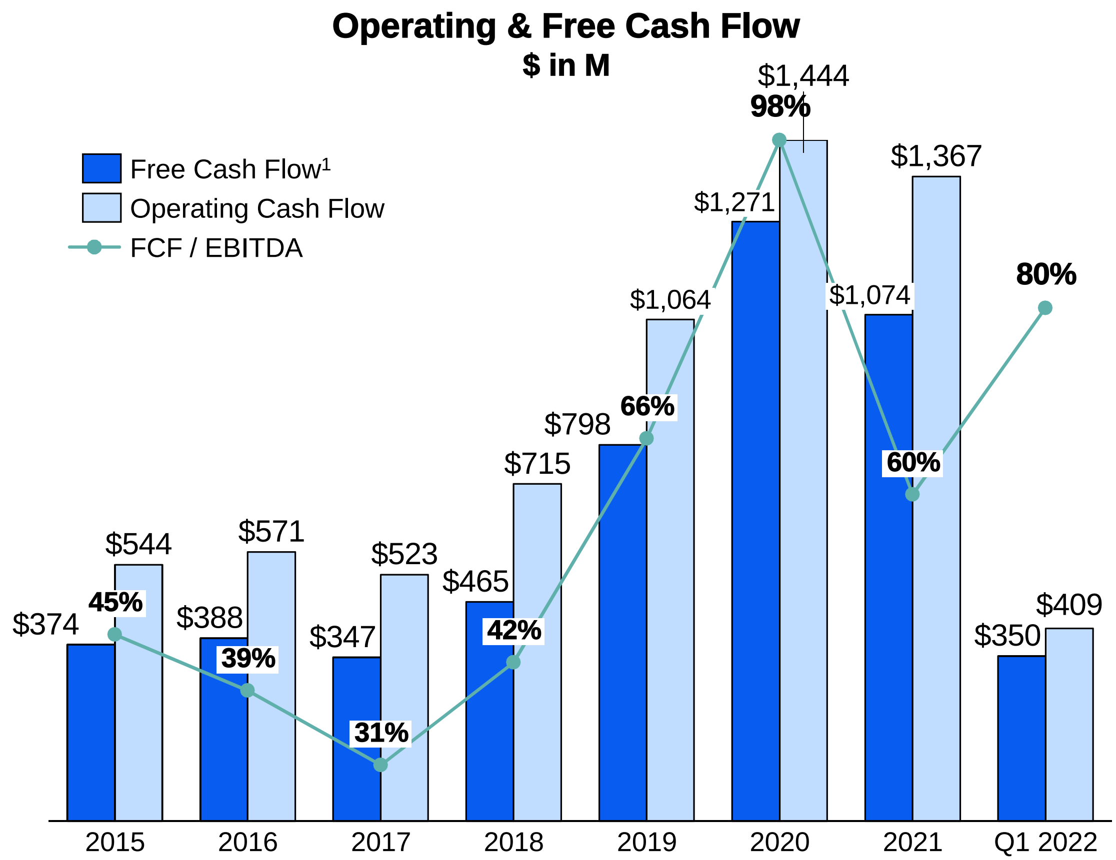
Three years of **operational excellence** has delivered **outstanding results** and **reliable performance**

(1) Segment EBITDA, Free Cash Flow, and Adjusted Diluted EPS are non-GAAP measures. See the Appendix for reconciliations of non-GAAP measures.
(2) Net leverage per bank covenants is defined as Net Debt/EBITDA. See definitions of Net Debt and EBITDA in the credit agreement filed with the SEC for further details.
(3) Amortization of acquired intangibles and lease obligations have been excluded from the calculation of Return on Invested Capital. All income, transaction costs, capital and equity related to Stahlgruber GmbH are excluded from Q2 2018 to Q2 2019. The effect of the Mekonomen and other impairment charges on income were excluded for 2018 and 2019.

Focus on Free Cash Flow Generation

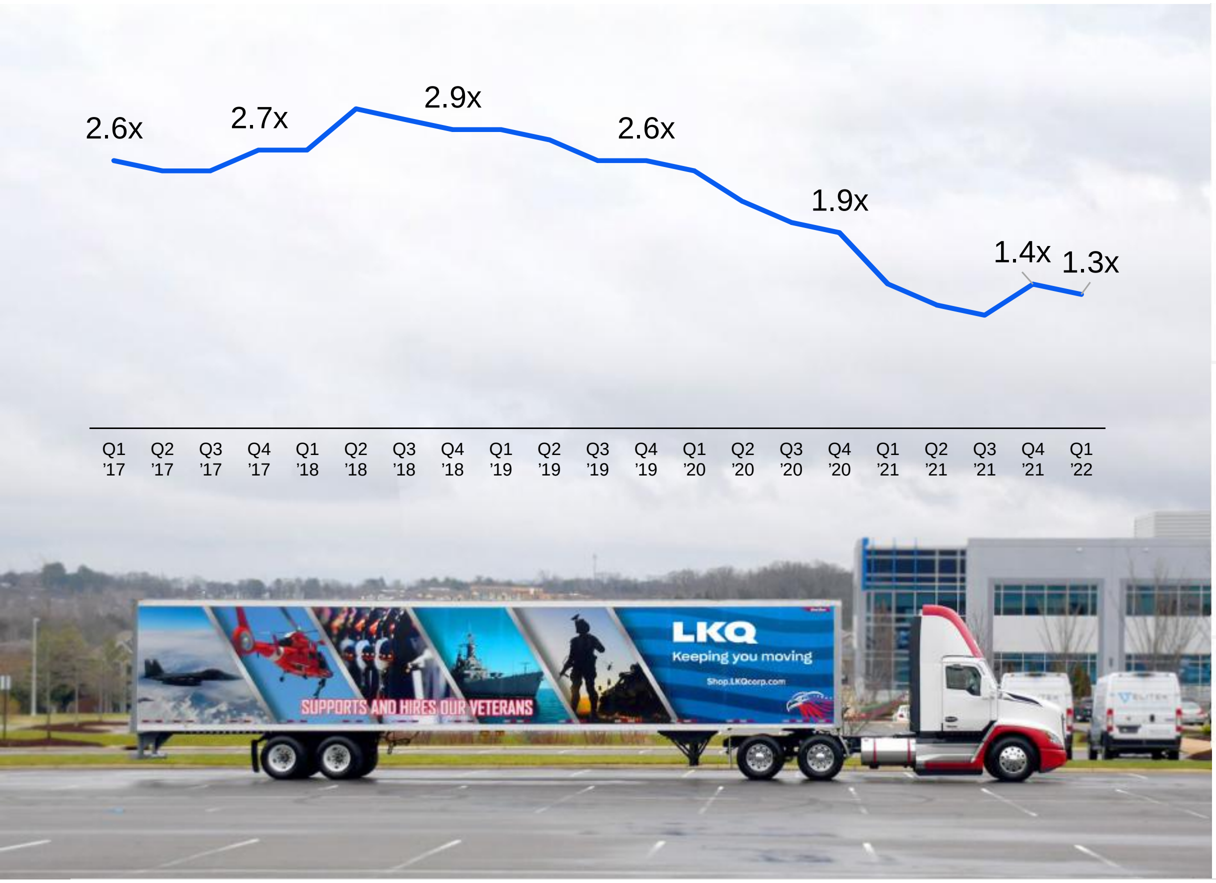
Operating Initiatives and Incentives to Drive Free Cash Flow Conversion

- Metrics deployed in 2018 across all key Trade Working Capital components; consistently & rigorously measured
- Deployed European Cash-Pool in 2019; extracted excess trapped capital
- Changed Incentive Program throughout organization starting 2019
- Improved inventory management with Fill-Rate and ROI focus
- Work with vendor partners to match payment terms with broader market convention
- Specific European Vendor Terms focus; expanding Days Payable incl. Vendor Financing Program
- SKU management in Europe to reduce SKU count and complexity
- Recent investment grade rating supports further DPO increase and free cash flow generation



Note: FCF amounts only include FCF generated by continuing operations
1) Free Cash Flow and EBITDA are non-GAAP measures. See the Appendix for reconciliations of non-GAAP measures

Net Debt / EBITDA



S&P Global Ratings

RatingsDirect®

Research Update:

LKQ Corp. Upgraded To 'BBB-' From 'BB+' On Stronger Business Risk Profile And Sustained Deleveraging, Outlook Stable

April 18, 2022

FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms LKQ at 'BBB-'; Outlook Stable

May 12, 2022

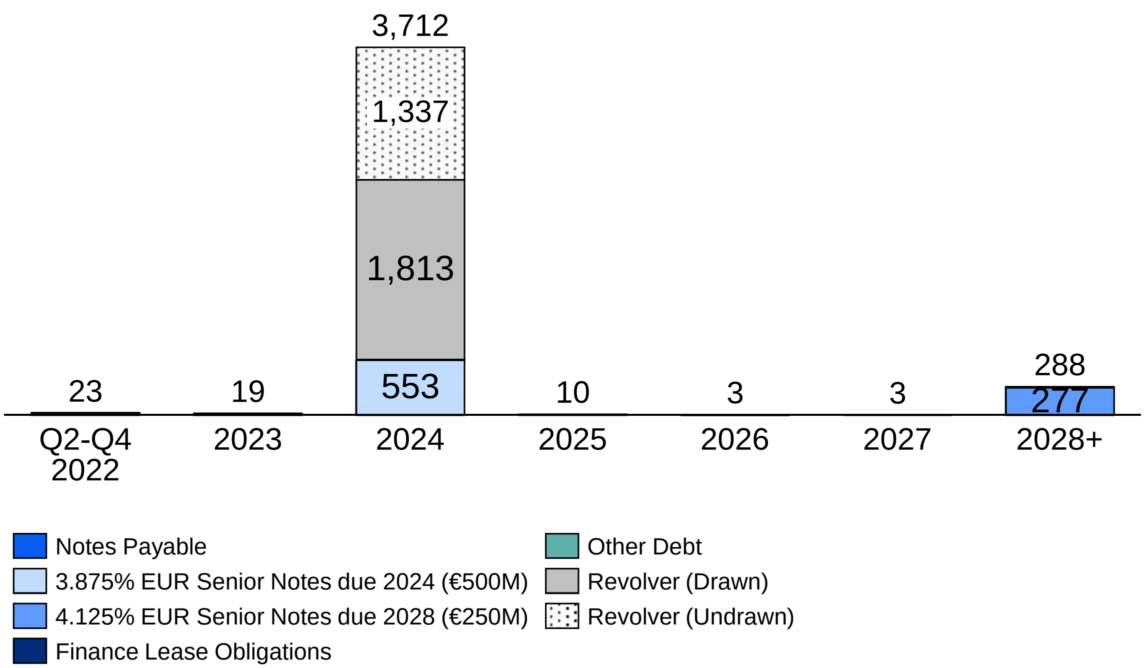
Moody's INVESTORS SERVICE

Moody's assigns Baa3 Issuer Rating to LKQ Corporation, upgrades subsidiary debt to Baa3; outlooks are stable

May 31, 2022

Balance Sheet Prepped to Sustain Volatile Capital Markets

Debt Maturity Profile(1)



Debt Structure Optimization

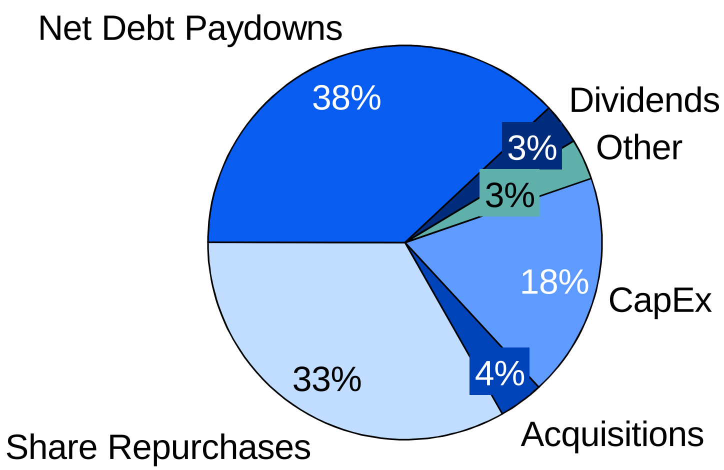
- Credit Facility matures in January 2024
  - Expect to decrease the size of the facility when we replace our existing facility in the next 12 months
  - Negotiate facility under investment grade terms
- No early call option for the €500M Senior Notes due in April 2024
- Call window for the €250M Senior Notes due in 2028 opens in April 2023
- Plan to spread maturities in future years

(1) Total debt (in millions) as of 3/31/22, excluding debt issuance costs.

Strong Operating Cash Flows Allocated to Highest Return Opportunities

2019 to March 2022 - Capital Allocation

$4.3 Billion Operating Cash Flows Deployed



Priorities for Next 3 Years

Operating Cash Flow	*Maintain high conversion; scale with business*	↑
Capital Expenditures	*Similar level expected with focus on high ROIC projects*	+ / −
Acquisitions	*Focused on high synergy tuck-ins with no large platforms expected*	+ / −
Share Repurchases	*Similar level expected*	+ / −
Dividends	*Similar level to recent quarters expected*	+ / −

Future cash flow will be allocated to **highest return opportunities** across **organic investments, tuck-in acquisitions,** and **share repurchases**; further shareholder return via **regular dividend**

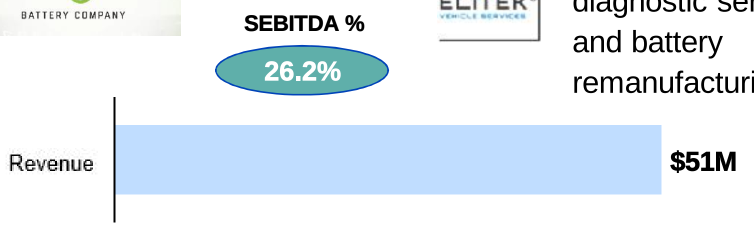
Driving Value Through Investment and Asset Base Rationalization

$M USD

Target critical capabilities in attractive markets [1]

GREEN BEAN BATTERY COMPANY

ELITEK VEHICLE SERVICES



- Entry point to diagnostic services and battery remanufacturing

High return capital projects that advance our strategy

Benelux CDC

- Allows consolidation of 4 regional centers to a central facility
- Projected payback period of ~ 6 years
- Advances ESG initiatives with an energy efficient facility (BREEAM Excellent certification; gas free)

Salvage land acquisitions (e.g. Denver)

- Expansion opportunity for core recycling operation in a large market

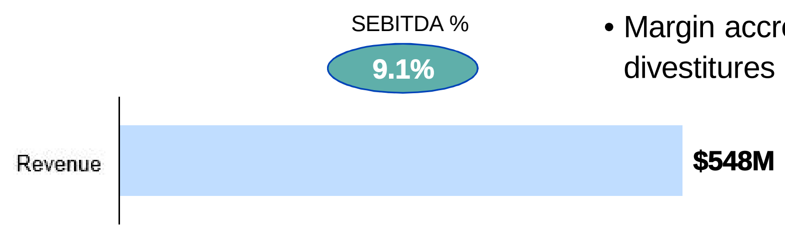
Tuck-in acquisitions to strengthen market leading positions [2]

SeaWide FABTECH Fab Fours

- Specialty acquisitions in 2021 supported with our existing distribution capabilities creating cross-sell and cost savings opportunities
  - Pro forma synergies projected to be $8M in Year 2

Divest non-core businesses to **simplify operating model** and redeploy proceeds [3]

Examples (2019 – 21): PGW Glass, AeroVision, Stahlgruber Telecom



- Margin accretive divestitures

(1) Reflects trailing twelve months Q1 '22 financials for Elitek and Green Bean Battery
(2) Synergy figures reflect Pro Forma amounts for SeaWide, Fabtech and Fab Fours
(3) Trailing twelve months financials prior to divestiture date for PGW Glass, AeroVision and Stahlgruber Telecom.

Financial Policy to Enhance Shareholder Value

Focus on Free Cash Flow Generation	• Target organic growth greater than market comps • Achieve 1 LKQ Europe program, NA and Specialty margin expansion • Convert high levels of EBITDA to Free Cash Flow with a focus on trade working capital efficiencies. Target FCF/EBITDA conversion ratio of 55% to 60%
Maintain Optimal Leverage	• Maintain investment grade rating through continuation of strong credit metrics and judicious capital deployment • Maintain net leverage of lower than 2.0x Adj. EBITDA • Strong FCF generation will enable significant annual capital deployment to drive TSR
Deploy Capital into Highest Return Opportunities	• **Organic Investments:** Fund high-ROIC projects that contribute to organic growth and margin expansion (e.g. Benelux Distribution Facility and Shared Services expansion) • **Acquisitions:** Focused on tuck-in acquisitions with significant synergies or critical capabilities. Do not expect large M&A. Returns tested against share repurchases • **Share Repurchases & Dividends:** Return value to shareholders through regular quarterly dividend and share repurchases
Maintain Appropriate Liquidity	• Maintain liquidity to enable LKQ to invest through a market cycle • Current liquidity of $1.6B as of 3/31/2022 through cash and available revolver capacity. In mid-term, reduce available liquidity by amending Credit Facility and partial terming out • No significant debt maturities till 2024

LKQ's Investment Thesis

LKQ

Strong Market Position	Organic Growth & Operational Excellence	Focus on Cash Flow and Capital Allocation
• Market leadership in all four reporting segments: – North America – Europe – Specialty – Self Service • Unparalleled customer & geographic diversity • Industry leading service	• Ability to grow revenue organically faster than market growth • Execute near term operational initiatives with 1LKQ Europe and North America programs • Long-term ability to drive continuous improvement in operations and margins	• Convert EBITDA to FCF by maintaining rigorous working capital discipline • Diversity of reporting segments provides opportunity for further growth and driving operating leverage • Excess free cash flow allocated to enhance long-term shareholder value
Stable business through economic cycles	**Organic revenue growth faster than market & EBITDA growth faster than revenue**	**Allocating capital to grow EPS faster than EBITDA**

Driving **consistent and strong growth** in Adjusted EPS over the long term

Our Strategic Plan:
Embed Operational Excellence Across the Global Enterprise

Profitable Growth

Enhance Margins

Cash Flow Generation

Talent Acquisition

Sustainable Targets

Annual Organic Revenue Growth without Inflation Impact

2.2% to 3.2%

Average Annual Organic EBITDA Margin Improvement

15 bps to 25 bps

Minimum Sustainable Free Cash Flow

≥ $1 billion

Nick Zarcone
Closing Remarks

President & Chief Executive Officer

LKQ Keeping you moving

Great Company, Great Stock

Integrated Strategy Approach

Great Company

- Financially resilient
- Competitively advantaged
- Growing profitably
- Premium ROIC
- Committed to ESG
- Employer of choice

LKQ Keeping you moving

Great Stock

- Strong & sustainable
- Shareholder value
- Stable & loyal long-term investor base
- Magnet for talent
- Supports winning culture

LKQ

Appendix

Appendix 1

Reconciliation of Total Debt to Net Debt

(in millions)	March 31, 2022[1]
Current portion of long-term obligations	$31
Long-term obligations, excluding current portion	2,680
Total debt, net of debt issuance costs	$2,711
Add: Debt issuance costs	10
Total debt	$2,721
Less: Cash and cash equivalents	327
Net debt	$2,394

We have presented net debt solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate our liquidity and financial position. We calculate net debt as total debt less cash and cash equivalents. We believe net debt provides insight into our liquidity and provides useful information to management and investors concerning our financial position. We believe net debt is used by investors, securities analysts and other interested parties in evaluating the liquidity and financial position of other companies, many of which present net debt when reporting their results. Net debt should not be construed as an alternative to total debt, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report net debt information calculate net debt in the same manner as we do and, accordingly, our calculation is not necessarily comparable to similarly-named measures of other companies and may not be an appropriate measure for performance relative to other companies.

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

Appendix 2 Reconciliation of Net Income to EBITDA and Segment EBITDA

(in millions)	2019	2020	2021	Q1 2022	Q1 2021	TTM Q1 2022
Net income	$545	$640	$1,092	$273	$266	$1,099
Subtract:						
Net income attributable to continuing noncontrolling interest	3	2	1	-	-	-
Net income attributable to discontinued noncontrolling interest	1	-	-	-	-	-
Net income attributable to LKQ stockholders	$541	$638	$1,091	$273	$266	$1,098
Subtract:						
Net income (loss) from discontinued operations	2	-	1	4	-	5
Net income attributable to discontinued noncontrolling interest	(1)	-	-	-	-	-
Net income from continuing operations attributable to LKQ stockholders	$541	$639	$1,090	$269	$266	$1,094
Depreciation and amortization	291	272	260	59	66	253
Depreciation and amortization - cost of goods sold	21	22	23	6	6	24
Depreciation and amortization - restructuring expenses	2	6	1	-	-	-
Interest expense, net of interest income	136	102	70	15	24	61
(Gain) loss on debt extinguishment	-	13	24	-	-	24
Provision for income taxes	215	249	331	89	93	327
EBITDA	$1,206	$1,302	$1,799	$438	$455	$1,781
Subtract:						
Equity in (losses) earnings of unconsolidated subsidiaries	(32)	5	23	2	6	19
Gain due to resolution of acquisition related matter	12	-	-	-	-	-
Gains on previously held equity interests	1	-	-	-	-	-
Equity investment fair value adjustments	-	-	11	(1)	5	5
Add:						
Restructuring and transaction related expenses	35	61	19	3	8	15
Restructuring expenses – cost of goods sold	21	7	-	-	-	-
Loss (gain) on disposal of businesses and impairment of net assets held for sale and goodwill	47	3	-	-	-	-
Change in fair value of contingent consideration liabilities	-	1	1	-	-	1
Losses on previously held equity interests	-	-	-	1	-	1
Direct impacts of Ukraine/Russia conflict(2)	-	-	-	6	-	6
Segment EBITDA	$1,328	$1,369	$1,785	$447	$452	$1,781
Net income from continuing operations attributable to LKQ stockholders as a percentage of revenue	4.3%	5.5%	8.3%	8.0%	8.4%	8.2%
EBITDA as a percentage of revenue	9.6%	11.2%	13.7%	13.1%	14.3%	13.4%
Segment EBITDA as a percentage of revenue	10.6%	11.8%	13.6%	13.4%	14.2%	13.4%

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

(2) Adjustments include provisions for reserves for asset recoverability (receivables and inventory) and expenditures to support our employees and their families in Ukraine

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 discontinued operations, depreciation, amortization, interest (which includes gains and losses on debt extinguishment) and income tax expense. We believe EBITDA provides insight into our profitability trends and allows management and investors to analyze our operating results without the impact of discontinued operations, depreciation, amortization, interest (which includes gains and losses on debt extinguishment) and income tax expense. We believe EBITDA is used by investors, securities analysts and other interested parties in evaluating the operating performance and the value of other companies, many of which present EBITDA when reporting their results.

We have presented Segment EBITDA solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate our segment profit and loss and underlying trends in our ongoing operations. We calculate Segment EBITDA as EBITDA excluding restructuring and transaction related expenses (which includes restructuring expenses recorded in Cost of goods sold); change in fair value of contingent consideration liabilities; other gains and losses related to acquisitions, equity method investments, or divestitures; equity in losses and earnings of unconsolidated subsidiaries; equity investment fair value adjustments; impairment charges; and direct impacts of the Ukraine/Russia conflict and related sanctions (including provisions for reserves for asset recoverability and expenditures to support our employees and their families). Our chief operating decision maker, who is our Chief Executive Officer, uses Segment EBITDA as the key measure of our segment profit or loss. We use Segment EBITDA to compare profitability among our segments and evaluate business strategies. This financial measure is included in the metrics used to determine incentive compensation for our senior management. Segment EBITDA includes revenue and expenses that are controllable by the segment. Corporate general and administrative expenses are allocated to the segments based on usage, with shared expenses apportioned based on the segment's percentage of consolidated revenue.

EBITDA and Segment EBITDA should not be construed as alternatives to operating income, net income or net cash provided by operating activities, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report EBITDA or Segment EBITDA information calculate EBITDA or Segment EBITDA in the same manner as we do and, accordingly, our calculations are not necessarily comparable to similarly-named measures of other companies and may not be appropriate measures for performance relative to other companies.

Appendix 3 Reconciliation of Net Income and EPS to Adjusted Net Income and Adjusted EPS from Continuing Operations

(in millions, except per share data)	2019	2020	2021
Net income	$545	$640	$1,092
Subtract:			
Net income attributable to continuing noncontrolling interest	3	2	1
Net income attributable to discontinued noncontrolling interest	1	-	-
Net income attributable to LKQ stockholders	$541	$638	$1,091
Subtract:			
Net income (loss) from discontinued operations	2	-	1
Net income attributable to discontinued noncontrolling interest	(1)	-	-
Net income from continuing operations attributable to LKQ stockholders	$541	$639	$1,090
Adjustments – continuing operations attributable to LKQ stockholders:			
Amortization of acquired intangibles	125	98	78
Restructuring and transaction related expenses	37	66	20
Restructuring expenses – cost of goods sold	21	7	-
Change in fair value of contingent consideration liabilities	-	1	1
Gains on previously held equity interests	(1)	-	-
(Gain) loss on debt extinguishment	-	13	24
Gain due to resolution of acquisition related matter	(12)	-	-
Loss on disposal of businesses and impairment of net assets held for sale	47	3	-
Impairment of equity method investments	41	-	-
Excess tax benefit from stock-based payments	(3)	-	(2)
Tax effect of adjustments	(60)	(49)	(31)
Adjusted net income from continuing operations attributable to LKQ stockholders	$736	$777	$1,180
Weighted average diluted common shares outstanding	311	305	298
Diluted earnings per share from continuing operations attributable to LKQ stockholders:			
Reported	$1.74	$2.09	$3.66
Adjusted	$2.37	$2.55	$3.96

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

(2) Adjustments include provisions for reserves for asset recoverability (receivables and inventory) and expenditures to support our employees and their families in Ukraine

Appendix 3

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 as we believe these measures are useful for evaluating the core operating performance of our continuing business across reporting periods and in analyzing our historical operating results. We define Adjusted Net Income and Adjusted Diluted Earnings per Share from Continuing Operations as Net Income and Diluted Earnings per Share adjusted to eliminate the impact of discontinued operations, restructuring and transaction related expenses, amortization expense related to all acquired intangible assets, gains and losses on debt extinguishment, the change in fair value of contingent consideration liabilities, other gains and losses related to acquisitions, equity method investments, or divestitures, impairment charges, direct impacts of the Ukraine/Russia conflict and related sanctions, excess tax benefits and deficiencies from stock-based payments and any tax effect of these adjustments. The tax effect of these adjustments is calculated using the effective tax rate for the applicable period or for certain discrete items the specific tax expense or benefit for the adjustment. Given the variability and volatility of the amount and frequency of costs related to transactions, management believes that these costs are not normal operating expenses and should be adjusted in our calculation of Adjusted Net Income from Continuing Operations. Our adjustment of the amortization of all acquisition-related intangible assets does not exclude the amortization of other assets, which represents expense that is directly attributable to ongoing operations. Management believes that the adjustment relating to amortization of acquisition-related intangible assets supplements the GAAP information with a measure that can be used to assess the comparability of operating performance. The acquired intangible assets were recorded as part of purchase accounting and contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets. These financial measures are used by management in its decision making and overall evaluation of our operating performance and are included in the metrics used to determine incentive compensation for our senior management. Adjusted Net Income and Adjusted Diluted Earnings per Share from Continuing Operations 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 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

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

	Year Ended December 31[1]							Three Months Ended March 31[1]
(in millions)	2015	2016	2017	2018	2019	2020	2021	2022
Operating Cash Flows	$544	$635	$519	$711	$1,064	$1,444	$1,367	$409
Less: Operating Cash Flows – Discontinued Operations	-	64	(4)	(4)	-	-	-	-
Operating Cash Flows from Continuing Operations	$544	$571	$523	$715	$1,064	$1,444	$1,367	$409
Capital Expenditures	170	207	179	250	266	173	293	59
Less: Capital Expenditures – Discontinued Operations	-	24	4	-	-	-	-	-
Continuing Capital Expenditures	$170	$183	$175	$250	$266	$173	$293	$59
Free Cash Flow from Continuing Operations	$374	$388	$347	$465	$798	$1,271	$1,074	$350

We have presented free cash flow solely as a supplemental disclosure that offers investors, securities analysts and other interested parties useful information to evaluate our liquidity. We calculate free cash flow as net cash provided by operating activities from continuing operations, less purchases of property, plant and equipment. We believe free cash flow provides insight into our liquidity and provides useful information to management and investors concerning our cash flow available to meet future debt service obligations and working capital requirements, make strategic acquisitions, pay dividends and repurchase stock. We believe free cash flow is used by investors, securities analysts and other interested parties in evaluating the liquidity of other companies, many of which present free cash flow when reporting their results. This financial measure is included in the metrics used to determine incentive compensation for our senior management. Free cash flow should not be construed as an alternative to net cash provided by operating activities, as determined in accordance with accounting principles generally accepted in the United States. In addition, not all companies that report free cash flow information calculate free cash flow in the same manner as we do and, accordingly, our calculation is not necessarily comparable to similarly-named measures of other companies and may not be an appropriate measure for liquidity relative to other companies.

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