



2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
15.54	18.20	20.04	21.88	26.53	35.26	38.27	45.52	51.02	60.87	69.21	81.51	92.55	106.49	120.65	134.23	160.40	170.30	Sales per sh	234.00
1.55	1.93	2.13	2.37	2.32	3.28	4.20	5.41	6.30	7.81	9.33	11.68	13.52	16.22	20.03	21.98	28.10	28.05	"Cash Flow" per sh	40.25
1.06	1.41	1.55	1.67	1.64	2.23	3.05	3.81	4.75	6.03	7.34	9.17	10.73	12.67	16.10	17.88	23.25	23.20	Earnings per sh ^A	34.15
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8.56	10.19	11.97	13.82	16.93	19.54	22.76	22.37	17.40	18.00	19.36	20.07	17.52	7.75	4.47	5.25	8.20	11.60	Book Value per sh	22.35
110.75	112.39	113.93	115.26	134.83	137.47	141.03	127.18	121.18	109.24	104.26	97.74	92.85	84.30	79.04	75.62	72.00	69.00	Common Shs Outst'g ^B	60.00
19.6	19.6	21.0	20.4	16.4	16.2	15.9	16.8	18.8	18.9	21.2	25.2	25.1	18.5	18.3	21.9	18.1	18.1	Avg Ann'l P/E Ratio	19.0
1.04	1.04	1.13	1.08	.99	1.08	1.01	1.05	1.20	1.06	1.12	1.27	1.32	.93	.99	1.19	.98	.98	Relative P/E Ratio	1.05
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CAPITAL STRUCTURE as of 9/30/20				© VALUE LINE PUB. LLC																	23-25
Total Debt \$4622.2 mill. Due in 5 Yrs \$1661.0 mill.				5397.5	5788.8	6182.2	6649.2	7216.1	7966.7	8593.1	8977.7	9536.4	10150	11550	11750	Sales (\$mill)	14040				
LT Debt \$4122.4 mill. LT Interest \$155 mill. (85% of Cap'l)				51.5%	51.9%	53.0%	53.4%	54.1%	54.9%	55.2%	55.6%	55.8%	55.0%	54.0%	Gross Margin	55.0%					
Leases, Uncapitalized \$316.1 mill.				16.6%	17.8%	18.7%	19.4%	20.3%	21.6%	22.3%	21.8%	21.7%	21.6%	22.5%	21.5%	Operating Margin	22.5%				
No Defined Benefit Pension Plan				3570	3740	3976	4166	4366	4571	4829	5019	5219	5460	5620	5750	Number of Stores	6000				
Pfd Stock None				433.1	522.0	585.7	670.3	778.2	931.2	1037.7	1133.8	1324.5	1391.0	1715	1635	Net Profit (\$mill)	2050				
Common Stock 72,448,419 shs.				38.0%	37.8%	37.8%	36.7%	36.3%	36.2%	36.6%	30.8%	21.8%	22.3%	22.0%	22.0%	Income Tax Rate	22.0%				
as of 11/2/20				8.0%	9.0%	9.5%	10.1%	10.8%	11.7%	12.1%	12.6%	13.9%	13.7%	14.8%	13.9%	Net Profit Margin	14.7%				
MARKET CAP: \$35.1 billion (Large Cap)				1072.3	1027.6	460.1	412.2	236.4	d36.4	d142.7	d249.7	d350.9	d635.7	d600	d600	Working Cap'l (\$mill)	d700				
CURRENT POSITION				357.3	796.9	1095.7	1396.1	1396.6	1390.0	1887.0	2978.4	3417.1	3890.5	4100	4000	Long-Term Debt (\$mill)	3750				
2018				3209.7	2844.9	2108.3	1966.3	2018.4	1961.3	1627.1	653.0	353.7	397.3	590	800	Shr. Equity (\$mill)	1340				
2019				12.7%	14.7%	18.9%	20.7%	23.6%	28.6%	30.5%	32.5%	36.7%	34.1%	38.5%	35.5%	Return on Total Cap'l	37.0%				
2020				13.5%	18.4%	27.8%	34.1%	38.6%	47.5%	63.8%	NMF	NMF	NMF	NMF	NMF	Return on Shr. Equity	NMF				
2021				13.5%	18.4%	27.8%	34.1%	38.6%	47.5%	63.8%	NMF	NMF	NMF	NMF	NMF	Retained to Com Eq	NMF				
(\$MILL.)				--	--	--	--	--	--	--	--	--	--	--	Nil	Nil	All Div'ds to Net Prof	Nil			

BUSINESS: O'Reilly Automotive, Inc. supplies aftermarket autoparts, tools, equipment, and accessories to both "do-it-yourself" (DIY) customers and professional mechanics or service technicians. Also offers services, including used oil/battery recycling and wiper/bulb replacement. As of Dec. 31, 2019, operated 5,460 stores in 47 states and 21 in Mexico. Acquired Mayoreo de Autopartes y Aceites, 11/19. At 1/31/20, had 82,167 employees, including 29,008 part-timers. Officers & directors own 2.4% of common stock; BlackRock, 7.8% (3/20 Proxy). President and CEO: Greg Johnson; Chairman: David E. O'Reilly. Incorporated: Missouri. Address: 233 South Patterson, Springfield, Missouri 65802. Telephone: 417-862-6708. Internet: www.oreillyauto.com.

O'Reilly Automotive got off to a strong start in the December quarter. Indeed, according to management, comp-store sales at the retailer and distributor of aftermarket autoparts rose by low double digits (percentage-wise) during the first three weeks of October, even as the key driver of demand for replacement autoparts—total miles driven—remained sharply lower, year over year. Assuming that the Missouri-based retailer's comps remained nicely positive for the balance of the period, we look for fourth-quarter sales to come in around \$2.77 billion, up 12% from 2019's \$2.48 billion tally. Earnings, meantime, probably rose 20% or so, to \$5.11 a share.

Economic uncertainty is said to be driving increased spending on auto maintenance. Notably, wage insecurity likely has more people investing in their existing vehicles and putting off buying new ones. To that point, a recent estimate put the total amount of un- and under-performed vehicle maintenance nationwide at roughly \$50 billion. That said . . .

We look for share net to rise little, if at all, this year, following an estimated 20% jump in 2020. Underpinning our cautious stance is a sense that last year's sharp increase in maintenance spending is unsustainable, and that it is likely to take a hit as the economy reopens post-pandemic and as people have more spending options. Management also hinted that margins could come under pressure this year, as the company catches up on investments in stores and employees that were deferred due to COVID-19 and to 2020's unexpected sales strength.

Our generally positive long-term view assumes O'Reilly gains additional market share in the United States. Mexico, where the company established a foothold through the November, 2019 acquisition of Mayasa, and Canada hold promise, as well.

Shares of O'Reilly Automotive are now ranked 2 (Above Average) for relative year-ahead price performance, having moved up a notch on our Timeliness scale since late October. The high end of our 3- to 5-year Target Price Range suggests that buy-and-hold investors will also do pretty well here.

Nils C. Van Liew *January 22, 2021*

(A) Next earnings report due February 10th. Earnings may not sum due to rounding. Excludes nonrecurring charges: '10, \$0.14; '11, \$0.11.	(B) In millions.	Company's Financial Strength	B++
		Stock's Price Stability	70
		Price Growth Persistence	85
		Earnings Predictability	100