



FOR IMMEDIATE RELEASE

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O'REILLY AUTOMOTIVE REPORTS RECORD SALES AND EARNINGS FOR 3rd QUARTER

Springfield, MO, October 22, 2002 -- O'Reilly Automotive, Inc. ("O'Reilly" or "the Company") (Nasdaq: ORLY) today announced record revenues and earnings for the third quarter of 2002, representing 36 quarters of record revenues and earnings for O'Reilly since becoming a public company in April 1993.

Net income for the third quarter ended September 30, 2002, totaled \$24.1 million, up 19.6% from \$20.1 million for the same period in 2001. Diluted earnings per common share for the third quarter of 2002 increased 18.4% to \$0.45 on 53.7 million shares compared to \$0.38 for the third quarter of 2001 on 53.2 million shares. Product sales for the three months ended September 30, 2002, totaled \$359.6 million, up 22.3% from \$294.0 million for the same period a year ago. Gross profit for the third quarter of 2002 increased to \$152.2 million (or 42.3% of product sales) from \$125.3 million (or 42.6% of product sales) for the third quarter of 2001, representing an increase of 21.5%.

Net income for the first nine months of 2002 totaled \$63.3 million, up 25.5% from \$50.4 million for the same period a year ago. Diluted earnings per common share for the first nine months of 2002 increased 22.9% to \$1.18 on 53.7 million shares versus \$0.96 a year ago on 52.6 million shares. Product sales for the first nine months of 2002 totaled \$998.3 million, up 22.7% from \$813.7 million in the first nine months of the previous year. Gross profit for the first nine months of 2002 increased to \$422.4 million (or 42.3% of product sales) from \$345.5 million (of 42.5% of product sales) for the first nine months of the prior year, representing an increase of 22.3%.

Comparable store product sales for stores open at least one year increased 3.23% and 3.26% for the third quarter and first nine months of 2002, respectively.

David O'Reilly, co-chairman and chief executive officer, stated, "We are pleased with the results this quarter highlighted by an operating margin of 11.3% and net margin of 6.7%. Our overall gross margin remains strong in spite of the .3% negative impact of the Mid-State independent jobber business. We continue to make good progress with the relocations and renovations of Mid-State stores while continuing to open new stores including 29 this quarter. Our balance sheet is solid and positions us well for our continued expansion and our goal of reaching \$2 billion in sales per year by 2005."

The Company will host a conference call Wednesday, October 23, 2002, at 10:00 a.m. central time to discuss its results as well as future expectations. The call will be available by webcast at www.oreillyauto.com, www.vcall.com or www.streetevents.com. Investors may listen to the conference call live on the Company Web site, www.oreillyauto.com, by clicking "Investor Information," then "Conference Calls." A replay will also be available on the Web site shortly after the call.

O'Reilly Automotive is one of the largest specialty retailers of automotive aftermarket parts, tools, supplies, equipment and accessories in the United States, serving both the do-it-yourself and professional installer markets. Founded in 1957 by the O'Reilly family, the Company operated 958 stores within the states of

Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nebraska, Oklahoma, Tennessee and Texas as of September 30, 2002.

Certain statements contained in this press release are forward-looking statements. These statements discuss, among other things, expected growth, store development and expansion strategy, business strategies, future revenues and future performance. These forward-looking statements are based on estimates, projections, beliefs and assumptions and are not guarantees of future events and results. Such statements are subject to risks, uncertainties and assumptions, including, but not limited to, competition, product demand, the market for auto parts, the economy in general, inflation, consumer debt levels, governmental approvals, our ability to hire and retain qualified employees, risks associated with the integration of acquired businesses, weather, terrorist activities, war and the threat of war. Actual results may materially differ from anticipated results described in these forward-looking statements. Please refer to the Risk Factors sections of the company's Form 10-K for the year ended December 31, 2001, for more details.

O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2002 (Unaudited)	December 31, 2001 (Note)
In thousands		
Assets		
Current assets:		
Cash	\$ 31,881	\$ 15,041
Short-term investments	500	500
Accounts receivable, net	50,133	41,486
Amounts receivable from vendors	40,832	38,440
Inventory	490,402	447,793
Refundable income taxes	--	168
Deferred income taxes	2,588	3,908
Other current assets	3,482	3,327
Total current assets	619,818	550,663
Property and equipment, at cost	463,221	392,365
Accumulated depreciation and amortization	128,847	103,361
Net property and equipment	334,374	289,004
Notes receivable	2,016	2,557
Other assets	18,755	14,635
Total assets	\$ 974,963	\$ 856,859
Liabilities and shareholders' equity		
Current liabilities:		
Note payable to bank	\$ --	\$ 5,000
Income taxes payable	10,746	--
Accounts payable	92,643	61,875
Accrued payroll	13,015	12,866
Accrued benefits and withholdings	23,639	14,038
Other current liabilities	25,513	15,514
Current portion of long-term debt	748	11,843
Total current liabilities	166,304	121,136
Long-term debt, less current portion	160,619	165,618
Deferred income taxes	12,723	9,141
Other liabilities	5,178	4,673
Shareholders' equity:		
Common stock, \$0.01 par value:		
Authorized shares – 90,000,000		
Issued and outstanding shares – 53,295,765 at September 30, 2002, and 52,850,713 at December 31, 2001	533	528
Additional paid-in capital	267,353	256,795
Retained earnings	362,253	298,968
Total shareholders' equity	630,139	556,291
Total liabilities and shareholders' equity	\$ 974,963	\$ 856,859

Note: The balance sheet at December 31, 2001, has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
	(In thousands, except per share data)			
Product sales	\$ 359,579	\$ 293,996	\$ 998,249	\$ 813,735
Cost of goods sold, including warehouse and distribution expenses	<u>207,383</u>	<u>168,709</u>	<u>575,839</u>	<u>468,233</u>
Gross profit	152,196	125,287	422,410	345,502
Operating, selling, general and administrative expenses	<u>111,473</u>	<u>91,145</u>	<u>315,280</u>	<u>258,870</u>
Operating income	40,723	34,142	107,130	86,632
Other expense, net	<u>(1,972)</u>	<u>(1,764)</u>	<u>(5,370)</u>	<u>(5,362)</u>
Income before income taxes	38,751	32,378	101,760	81,270
Provision for income taxes	<u>14,655</u>	<u>12,238</u>	<u>38,475</u>	<u>30,826</u>
Net income	<u>\$ 24,096</u>	<u>\$ 20,140</u>	<u>\$ 63,285</u>	<u>\$ 50,444</u>
Net income per common share	<u>\$ 0.45</u>	<u>\$ 0.38</u>	<u>\$ 1.19</u>	<u>\$ 0.97</u>
Net income per common share - assuming dilution	<u>\$ 0.45</u>	<u>\$ 0.38</u>	<u>\$ 1.18</u>	<u>\$ 0.96</u>
Weighted average common shares outstanding	<u>53,187</u>	<u>52,404</u>	<u>53,044</u>	<u>51,942</u>
Adjusted weighted average common shares outstanding - assuming dilution	<u>53,715</u>	<u>53,205</u>	<u>53,675</u>	<u>52,563</u>

O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES
SELECTED FINANCIAL INFORMATION
(Unaudited)

	Three Months Ended	
	September 30,	
	2002	2001
Inventory turnover (1)	1.7	1.6
Inventory turnover, net of payables (2)	2.0	1.9
AP to Inventory	18.9%	12.6%
Debt-to-capital	20.4%	18.3%
Return on equity	13.6%	12.1%
Return on assets	9.1%	8.0%
Total employment	14,420	12,035
Miscellaneous (in thousands):		
Capital Expenditures	\$ 27,266	\$ 17,913
Depreciation & Amortization	\$ 9,692	\$ 7,832
Interest Expense	\$ 2,402	\$ 2,235
Lease & Rental Expense	\$ 8,027	\$ 6,862
Store count:		
New stores, net	29	32
Total stores	958	764
Square footage (in thousands):		
O'Reilly	5,963	5,131
Mid-State	477	--
Totals	6,440	5,131
Sales per weighted average square foot:		
O'Reilly	\$ 58.22	\$ 59.85
Mid-State	\$ 42.40	\$ --
Consolidated	\$ 56.96	\$ 59.85
Sales per weighted average store (in thousands):		
O'Reilly	\$ 394	\$ 401
Mid-State	\$ 252	\$ --
Consolidated	\$ 382	\$ 401

(1) Inventory turnover is calculated as cost of sales for the last 12 months divided by the average of beginning and ending inventory.

(2) Inventory turnover, net of payables is calculated as cost of sales divided by the average of beginning and ending inventory less accounts payable.