



FOR IMMEDIATE RELEASE

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**O'REILLY AUTOMOTIVE, INC. REPORTS RECORD  
2005 FIRST QUARTER RESULTS  
7.1% INCREASE IN COMPARABLE STORE PRODUCT SALES  
20.4% INCREASE IN EARNINGS PER SHARE**

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**Springfield, MO, April 26, 2005** -- O'Reilly Automotive, Inc. ("O'Reilly" or "the Company") (Nasdaq: ORLY) today announced record revenues and earnings for the first quarter of 2005, representing 46 quarters of record revenues and earnings for O'Reilly since becoming a public company in April 1993.

Net income, before cumulative effect of accounting change, for the first quarter ended March 31, 2005, totaled \$33.2 million, up 21.7% from \$27.3 million for the same period in 2004. Diluted earnings per common share, before cumulative effect of accounting change, for the first quarter of 2005 increased 20.4% to \$0.59 on 56.3 million shares compared to \$0.49 for the first quarter of 2004 on 55.4 million shares. Product sales for the three months ended March 31, 2005, totaled \$466.2 million, up 15.6% from \$403.3 million for the same period a year ago. Gross profit for the first quarter of 2005 increased to \$196.2 million (or 42.1% of product sales) from \$169.6 million (or 42.1% of product sales) for the first quarter of 2004, representing an increase of 15.7%. Operating, Selling, General and Administrative ("OSG&A") expenses increased to \$142.6 million (or 30.6% of product sales) for the first quarter of 2005 from \$125.6 million (or 31.1% of product sales) for the first quarter of 2004, representing an increase of 13.6%.

Comparable store product sales for stores open at least one year increased 7.1% and 12.4% for the first quarter of 2005 and 2004, respectively.

"We are very pleased with our 7.1% comparable store product sales increase, especially considering the difficult comparison of the 12.4% comparable store sales increase in the first quarter of 2004," stated Greg Henslee, CEO and Co-President. "We're equally pleased with our team's focus on expense management during the quarter as we completed the opening of our eleventh distribution center in Atlanta, Georgia."

"New store openings are well underway with 37 net new stores opened during the first quarter of 2005," said Ted Wise, COO and Co-President.

The Company will host a conference call Wednesday, April 27, 2005, at 10:00 a.m. central time to discuss its results, as well as future expectations. The call will be available by web cast at [www.oreillyauto.com](http://www.oreillyauto.com), [www.vcall.com](http://www.vcall.com) or [www.streetevents.com](http://www.streetevents.com). Investors may listen to the conference call live on the Company's web site, [www.oreillyauto.com](http://www.oreillyauto.com), by clicking "News". A replay will also be available on the web site shortly after the call, on the Company's website.

**O'Reilly Automotive, Inc.** 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 1,286 stores within the states of Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nebraska, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Virginia as of March 31, 2005.

The Company claims the protection of the safe-harbor for forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by forward-looking words such as "expect," "believe," "anticipate," "good," "plan," "intend," "estimate," "project," "will" or similar words. In addition, statements contained within this press release that are not historical facts are forward-looking statements, such as statements discussing 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 or implied 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, 2004, for more details.

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

	<u>March 31,</u> 2005	<u>December 31,</u> 2004
	(Unaudited)	(Note)
	( In thousands)	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 89,270	\$ 69,028
Accounts receivable, net	63,180	60,928
Amounts receivable from vendors, net	42,631	52,976
Inventory	649,297	625,320
Other current assets	5,763	5,225
Total current assets	<u>850,141</u>	<u>813,477</u>
Property and equipment, at cost	835,860	791,794
Accumulated depreciation and amortization	<u>235,962</u>	<u>224,301</u>
Net property and equipment	599,898	567,493
Notes receivable, less current portion	27,375	21,690
Other assets, net	<u>27,653</u>	<u>29,697</u>
Total assets	<u>\$ 1,505,067</u>	<u>\$ 1,432,357</u>
<b>Liabilities and shareholders' equity</b>		
Current liabilities:		
Income taxes payable	\$ 16,099	\$ 9,736
Accounts payable	258,470	240,548
Accrued payroll	15,779	15,130
Accrued benefits and withholdings	40,159	35,794
Deferred income taxes	11,370	7,198
Other current liabilities	23,061	24,817
Current portion of long-term debt	591	592
Total current liabilities	<u>365,529</u>	<u>333,815</u>
Long-term debt, less current portion	100,173	100,322
Deferred income taxes	38,165	38,440
Other liabilities	12,184	11,963
Shareholders' equity:		
Common stock, \$0.01 par value:		
Authorized shares – 90,000,000		
Issued and outstanding shares – 55,602,945 at March 31, 2005, and 55,377,130 at December 31, 2004		
	556	554
Additional paid-in capital	334,634	326,650
Retained earnings	<u>653,826</u>	<u>620,613</u>
Total shareholders' equity	<u>989,016</u>	<u>947,817</u>
Total liabilities and shareholders' equity	<u>\$ 1,505,067</u>	<u>\$ 1,432,357</u>

Note: The balance sheet at December 31, 2004, has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by United States generally accepted accounting principles for complete financial statements.

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

	Three Months Ended March 31,	
	2005	2004
	(In thousands, except per share data)	
Product sales	\$ 466,239	\$ 403,294
Cost of goods sold, including warehouse and distribution expenses	<u>270,070</u>	<u>233,701</u>
Gross profit	196,169	169,593
Operating, selling, general and administrative expenses	<u>142,588</u>	<u>125,566</u>
Operating income	53,581	44,027
Other expense, net	<u>(668)</u>	<u>(446)</u>
Income before income taxes and cumulative effect of accounting change	52,913	43,581
Provision for income taxes	<u>19,700</u>	<u>16,296</u>
Income before cumulative effect of accounting change	33,213	27,285
Cumulative effect of accounting change, net of tax, \$13,303	<u>-</u>	<u>21,892</u>
Net income	<u>\$ 33,213</u>	<u>\$ 49,177</u>
Net income per common share:		
Income before cumulative effect of accounting change	\$ 0.60	\$ 0.50
Cumulative effect of accounting change, net of tax	<u>-</u>	<u>0.40</u>
Net income	<u>\$ 0.60</u>	<u>\$ 0.90</u>
Net income per common share-assuming dilution:		
Income before cumulative effect of accounting change	\$ 0.59	\$ 0.49
Cumulative effect of accounting change, net of tax	<u>-</u>	<u>0.39</u>
Net income	<u>\$ 0.59</u>	<u>\$ 0.88</u>
Weighted-average common shares outstanding - basic	<u>55,448</u>	<u>54,694</u>
Adjusted weighted-average common shares outstanding – assuming dilution	<u>56,255</u>	<u>55,381</u>

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

	March 31,	
	2005	2004
Inventory turnover (1)	1.7	1.7
Inventory turnover, net of payables (2)	2.6	2.4
AP to inventory (3)	39.8%	32.9%
Debt-to-capital (4)	9.3%	10.8%
Return on equity (5)	13.5%	14.3%
Return on assets (6)	8.9%	9.4%
Square footage (in thousands)	8,561	7,510
Store count:		
New stores, net (three months ended)	37	23
Total stores	1,286	1,132
Total employment	18,238	16,540
	Three Months Ended March 31,	
	2005	2004
Other information (in thousands):		
Capital expenditures	\$ 45,570	\$ 40,078
Depreciation & amortization	\$ 13,245	\$ 10,894
Interest expense	\$ 1,100	\$ 895
Lease & rental expense	\$ 10,156	\$ 8,833
Sales per weighted-average square foot (7)	\$ 54.41	\$ 53.44
Sales per weighted-average store (in thousands) (8)	\$ 363	\$ 354

- (1) Calculated as cost of sales for the last 12 months divided by average inventory. Average inventory is calculated as the simple average of beginning and ending inventory for the same period used in determining the numerator.
- (2) Calculated as cost of sales divided by average inventory less accounts payable. Average inventory is calculated as the simple average of beginning and ending inventory for the same period used in determining the numerator.
- (3) Accounts payable divided by inventory.
- (4) The sum of long-term debt and current portion of long-term debt, divided by the sum of long-term debt, current portion of long-term debt and total shareholders' equity.
- (5) Last 12 months net income divided by average shareholders' equity. Average shareholders' equity is calculated by taking a simple average of the beginning and ending shareholders' equity for the same period used in determining the numerator.
- (6) Last 12 months net income divided by average total assets. Average total assets is calculated by taking a simple average of the beginning and ending total assets for the same period used in determining the numerator.
- (7) Total sales less jobber sales, divided by weighted-average square feet. Weighted-average sales per square foot is weighted to consider the approximate dates of store openings or expansions.
- (8) Total sales less jobber sales, divided by weighted-average stores. Weighted-average sales per store is weighted to consider the approximate dates of store openings or expansions.