



**Q1'24
Earnings Presentation**

April 18, 2024

GPC Snapshot (as of 3/31/2024)

Key Statistics

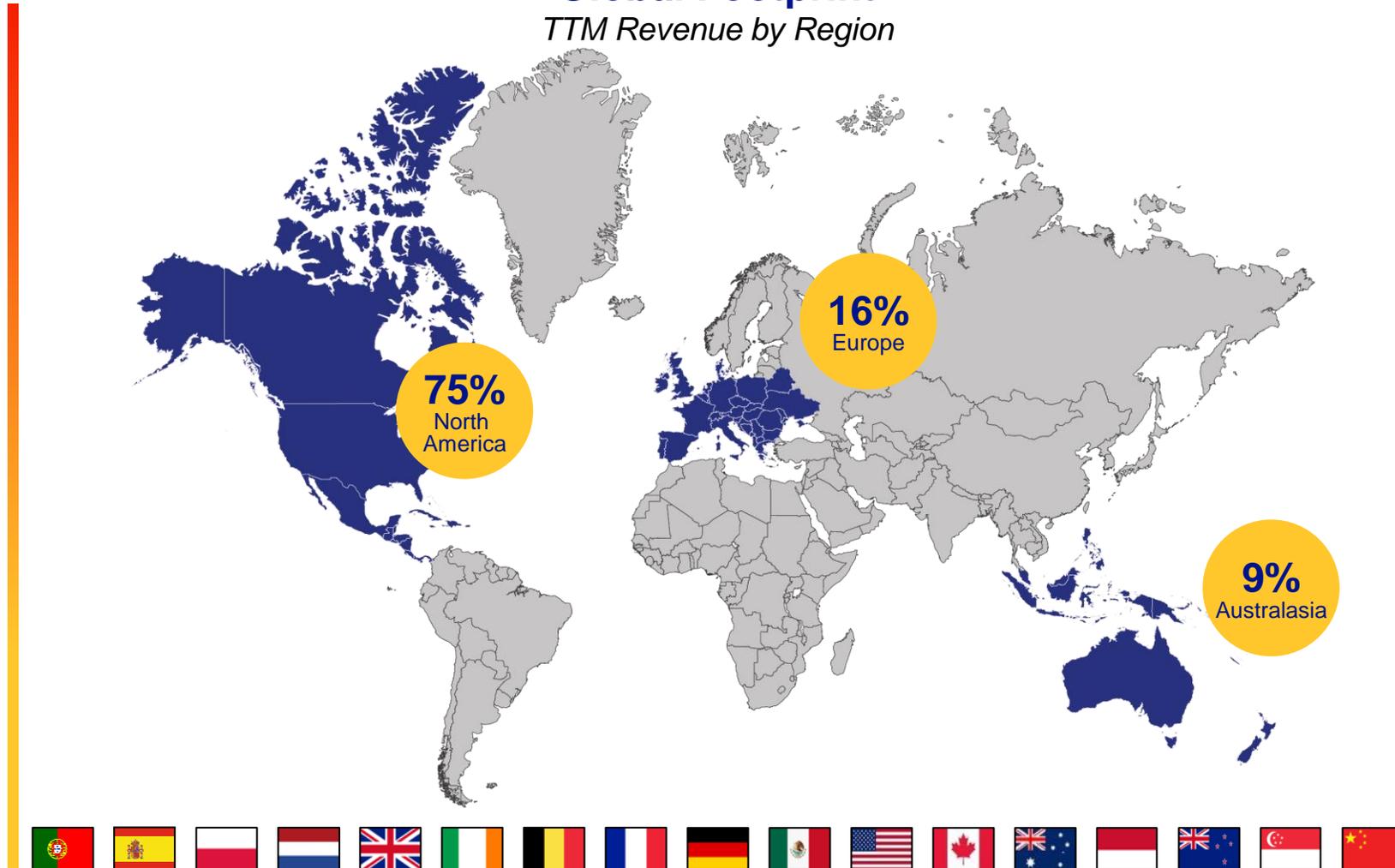
Founded	1928
Headquarters	Atlanta, GA
Countries Served	17
Locations	~10,820
<ul style="list-style-type: none"> Distribution Centers Warehouses Retail (Owned/Independent) 	<ul style="list-style-type: none"> ~200 ~720 ~9,900
Employees	~60,000
Market Capitalization	~\$21.6B

TTM Financial Highlights

Revenue ¹	\$23.1B
<ul style="list-style-type: none"> Automotive Industrial 	<ul style="list-style-type: none"> 62% 38%
Segment Profit Margin ²	9.9%
Free Cash Flow ²	~\$1.0B
Dividend Yield ³	2.6%

Global Footprint

TTM Revenue by Region



Leading Global Distributor in Diversified End Markets

Safe Harbor Statement

FORWARD-LOOKING STATEMENTS: Some statements in this presentation, as well as in other materials we file with the Securities and Exchange Commission (SEC), release to the public, or make available on our website, constitute forward-looking statements that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements in the future tense and all statements accompanied by words such as “expect,” “likely,” “outlook,” “forecast,” “preliminary,” “would,” “could,” “should,” “position,” “will,” “project,” “intend,” “plan,” “on track,” “anticipate,” “to come,” “may,” “possible,” “assume,” or similar expressions are intended to identify such forward-looking statements. These forward-looking statements include our view of business and economic trends for the remainder of the year, our expectations regarding our ability to capitalize on these business and economic trends and to execute our strategic priorities, and the updated full-year 2024 financial guidance provided. Senior officers may also make verbal statements to analysts, investors, the media and others that are forward-looking. We caution you that all forward-looking statements involve risks and uncertainties, and while we believe that our expectations for the future are reasonable in view of currently available information, you are cautioned not to place undue reliance on our forward-looking statements. Actual results or events may differ materially from those indicated as a result of various important factors. Such factors may include, among other things, changes in general economic conditions, including unemployment, inflation (including the impact of tariffs) or deflation, financial institution disruptions and geopolitical conflicts such as the conflict between Russia and Ukraine, the conflict in the Gaza strip and other unrest in the Middle East; volatility in oil prices; significant cost increases, such as rising fuel and freight expenses; public health emergencies, including the effects on the financial health of our business partners and customers, on supply chains and our suppliers, on vehicle miles driven as well as other metrics that affect our business, and on access to capital and liquidity provided by the financial and capital markets; our ability to maintain compliance with our debt covenants; our ability to successfully integrate acquired businesses into our operations and to realize the anticipated synergies and benefits; our ability to successfully implement our business initiatives in our two business segments; slowing demand for our products; the ability to maintain favorable supplier arrangements and relationships; changes in national and international legislation or government regulations or policies, including changes to import tariffs, environmental and social policy, infrastructure programs and privacy legislation, and their impact to us, our suppliers and customers; changes in tax policies; volatile exchange rates; our ability to successfully attract and retain employees in the current labor market; uncertain credit markets and other macroeconomic conditions; competitive product, service and pricing pressures; failure or weakness in our disclosure controls and procedures and internal controls over financial reporting, including as a result of the work from home environment; the uncertainties and costs of litigation; disruptions caused by a failure or breach of our information systems, as well as other risks and uncertainties discussed in our Annual Report on Form 10-K for 2023 and from time to time in our subsequent filings with the SEC. Forward-looking statements speak only as of the date they are made, and we undertake no duty to update any forward-looking statements except as required by law. You are advised, however, to review any further disclosures we make on related subjects in our subsequent Forms 10-K, 10-Q, 8-K and other reports filed with the SEC.

NON-GAAP MEASURES: This presentation contains certain financial information not derived in accordance with United States (“U.S.”) generally accepted accounting principles (“GAAP”). These items include adjusted net income, adjusted operating and non-operating expenses, total segment profit, total segment margin, adjusted EBITDA, adjusted diluted earnings per share and free cash flow. We believe that the presentation of these non-GAAP measures when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provide meaningful supplemental information to both management and investors that is indicative of our core operations. We considered these metrics useful to investors because they provide greater transparency into management’s view and assessment of our ongoing operating performance by removing items management believes are not representative of our operations and may distort our longer-term operating trends. We believe these measures are useful and enhance the comparability of our results from period to period and with our competitors, as well as show ongoing results from operations distinct from items that are infrequent or not associated with our core operations. We do not, nor do we suggest investors should, consider such non-GAAP financial measures as superior to, in isolation from, or as a substitute for, GAAP financial information. We have included reconciliations of this additional information to the most comparable GAAP measure in the appendix of this presentation. We do not provide forward-looking guidance for certain financial measures on a GAAP basis because we are unable to predict certain items contained in the GAAP measures without unreasonable efforts. These items may include acquisition-related costs, litigation charges or settlements, impairment charges, and certain other unusual adjustments.

Key Messages

- ✓ Delivered solid first quarter results **that exceeded our expectations**
- ✓ Results demonstrate the value of our **complimentary business mix paired with our geographic diversity**
- ✓ Making great progress with our key investment pillars, **driving meaningful change in our businesses that is positively impacting our results**
- ✓ We want to **thank our global GPC teammates** for their hard work

————— *Strategic Initiatives and Focused Team Execution Delivering Results* —————

Q1'24 Performance



Sales

\$5.8B

Increase of 0.3%

Gross Margin

35.9%

Improved 100 bps

Adj EBITDA¹

\$517M

Increase of 2%

Segment Profit¹

\$544M

Increase of 3%

Segment Margin¹

9.4%

Improved 30 bps

Adj Diluted EPS¹

\$2.22

Increase of 4%

At March 31



Cash From Operations

\$318M YTD

Free Cash Flow¹

\$203M YTD



Working Capital²

\$1.2B



Capital Structure

1.8x

Total Debt to
Adj EBITDA¹



Ample Liquidity

\$2.5B



**Financial
Strength and
Flexibility to
Drive Growth**

Q1'24 Industrial Performance



Global Sales

\$2.2B

Decreased 2.2%

Global Comps¹

-2.6%

12% comp in the PY

Segment Profit²

\$271M

Increase of 3%

Segment Margin²

12.3%

Improved 70 bps

Market	Total Sales ³
North America	(2.4%)
Australasia	+4.7%

Highlights:

- Results were in-line with our expectations, against the backdrop of the most challenging quarterly comparison
- Continue to see sales growth and strong renewal rates with corporate account customers, which represents ~45% of the business
- Remained disciplined on costs to drive profit and margin expansion on lower sales

Q1'24 Automotive Performance



Global Sales

\$3.6B

Increase of 1.9%

Global Comps¹

+0.2%

7% comp in the PY

Segment Profit²

\$273M

Increase of 3%

Segment Margin²

7.6%

Improved 10 bps

Market	Total Sales ³	Comp Sales ^{1,3}
U.S.	(0.3%)	+0.6%*
Canada	(1.0%)	(3.3%)
Europe	+8.0%	+0.6%
Australasia	+2.3%	+1.2%

**U.S. comp sales excludes a negative impact of 130 basis points from new incentive programs associated with changes to certain supplier arrangements*

Highlights:

- Total Automotive results benefited from global diversification, continued growth in Europe and Australasia
- Actions previously outlined at U.S. Automotive are driving improvement and expect benefits to build throughout the year
- Improvement in segment margin from the same period last year

How We Win

Foundational Priorities for Strategic Investments



Talent & Culture

Develop high potential talent and infuse capabilities into the organization to build diverse, high-performing teams



Sales Effectiveness

Utilize data and analytics to understand our customer segments and drive solution-based sales and commercial strategies



Technology

Enhance data and digital capabilities to deliver a best-in-class customer experience, profitable growth and operational productivity



Supply Chain

Modernize operations to increase productivity and efficiency across inventory, facilities and logistics capabilities



Emerging Technology

Lead in emerging technologies and leverage our unique positioning, global scale and One GPC team approach

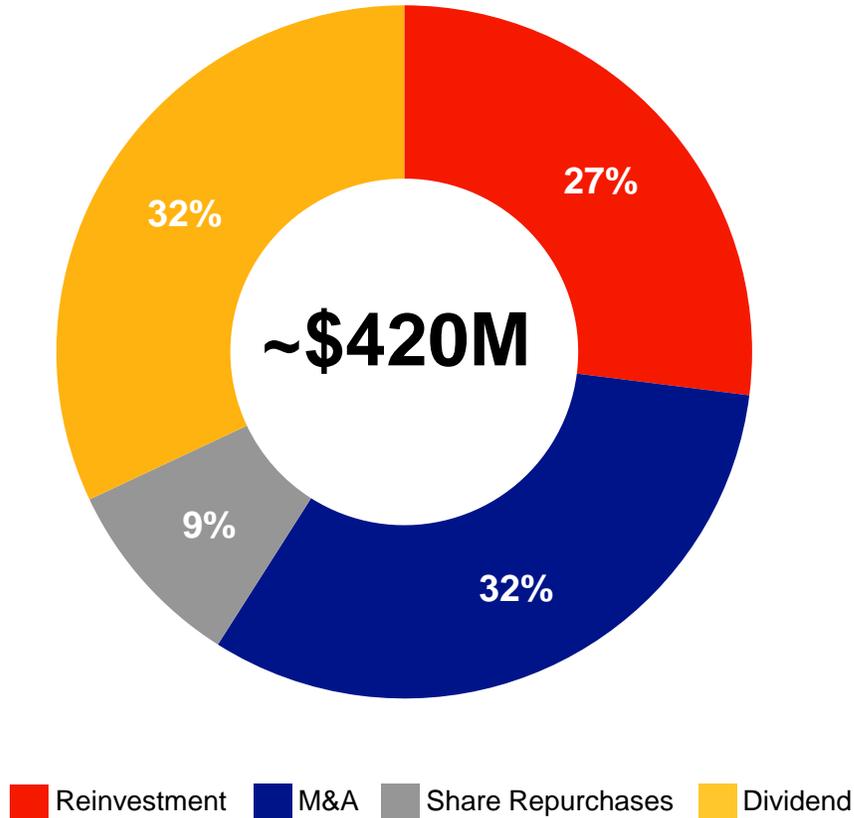


Mergers & Acquisitions

Acquire strategic assets and create value via scale, footprint, customer relationships, products and services and technology

Effective Capital Allocation

YTD 2024 Capital Deployment



Key Priorities

Reinvestment

- ~\$116M CapEx YTD
- Projecting '24 CapEx of ~\$500M

M&A

- ~\$135M YTD
- Targeting additional acquisitions in '24

Share Repurchases

- ~\$37M spend for ~261K shares YTD
- Continued share buy-backs in '24

Dividend

- ~\$133M in cash dividends paid YTD
- 2024 cash dividend of \$4.00 per share, +5% from 2023
 - 68th consecutive year of increased dividends paid to our shareholders

2024 Outlook¹

	Current	Previous
Total Sales Growth	3% to 5%	3% to 5%
• Automotive	2% to 4%	2% to 4%
• Industrial	3% to 5%	3% to 5%
Diluted EPS	\$9.05 to \$9.20	\$8.95 to \$9.15
Adj Diluted EPS	\$9.80 to \$9.95	\$9.70 to \$9.90
Adj EPS Growth	5% to 7%	4% to 6%
Cash from Operations	\$1.3B to \$1.5B	\$1.3B to \$1.5B
Free Cash Flow²	\$800M to \$1B	\$800M to \$1B

OTHER ASSUMPTIONS

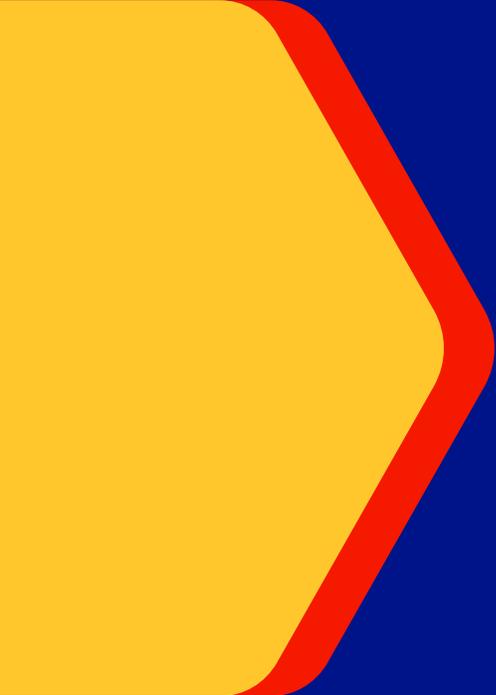


- Corporate expenses ~1.5% to 2% of sales
- Capex ~\$500M
- Interest expense ~\$100M
- Tax rate ~24%

2024 Outlook (Cont.)

U.S. Business Days*	Q1	Q2	Q3	Q4	FY
2024	64	64	64	63	255
2023	64	64	63	62	253
Difference	0	0	+1	+1	+2

**Our calculation of comparable sales is computed using total business days for the period, not calendar days. We believe a business day approach is a better representation given the fluctuations of weekend operating hours, particularly at our Motion facilities and independently owned NAPA stores in the U.S.*



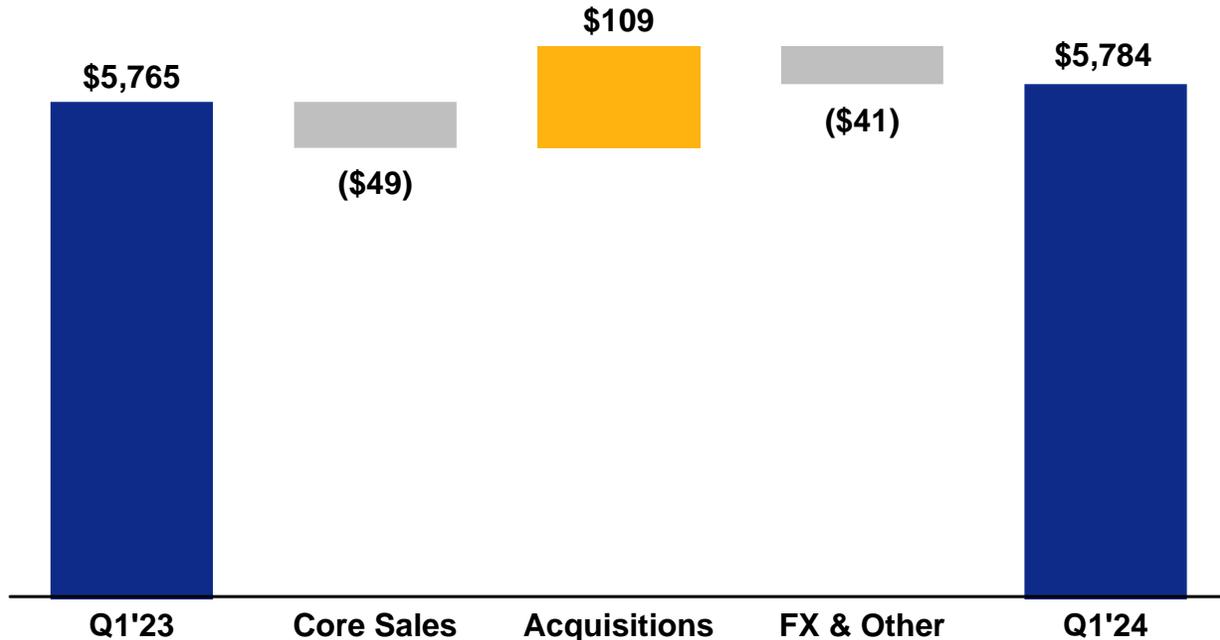
Appendix

Consolidated Net Sales and Diluted EPS Bridge

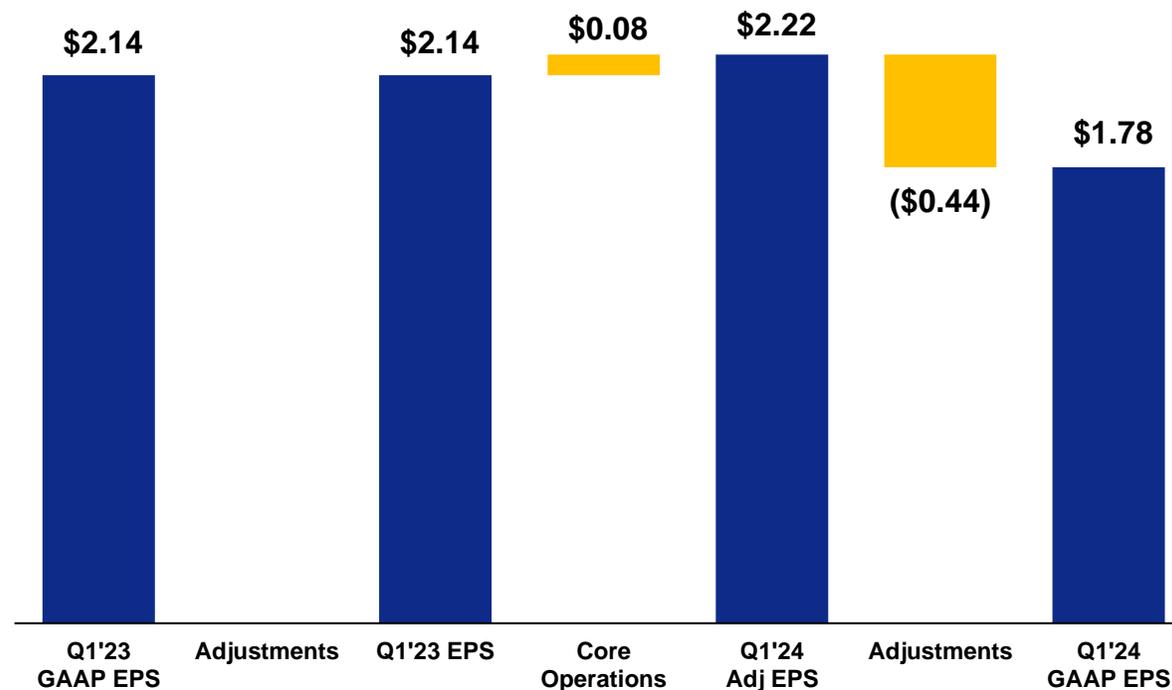
Appendix A

Net Sales

(\$M)



Adj Diluted Earnings Per Share¹



Comparable Sales: Comparable sales or “comp sales” is a key metric that refers to period-over-period comparisons of our net sales excluding the impact of acquisitions, divestitures, foreign currency and other. Our calculation of comparable sales is computed using total business days for the period. The company considers this metric useful to investors because it provides greater transparency into management’s view and assessment of the company’s core ongoing operations. This metric is widely used by analysts, investors and competitors in our industry, although our calculation of the metric may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate this metric in the same manner.

Daily Sales: Daily sales represents the amounts invoiced to the company's customers each day. Daily sales do not represent GAAP-based sales because, among other things, invoices are not always generated at the same time goods and services are delivered to customers and the amounts do not include adjustments for estimates of returns, rebates or other forms of variable consideration. Management uses this metric to monitor demand trends at each of its subsidiaries throughout each month for the purposes of monitoring performance against forecasts and to make operational decisions. The company considers this metric useful to investors because it provides greater transparency into management’s view and assessment of the company’s core ongoing operations. The calculation of this metric may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate this metric in the same manner.

Segment Data

Appendix C

(in thousands)	2024	2024	2023			
	TTM	Q1	Q1	Q2	Q3	Q4
Net sales:						
Automotive	\$ 14,314,976	\$ 3,574,020	\$ 3,505,827	\$ 3,654,999	\$ 3,626,943	\$ 3,459,014
Industrial	8,794,147	2,209,611	2,259,291	2,260,007	2,197,659	2,126,870
Total net sales	23,109,123	5,783,631	5,765,118	5,915,006	5,824,602	5,585,884
Segment profit:						
Automotive	1,183,396	272,936	264,420	329,347	322,004	259,109
Industrial	1,111,688	270,839	261,987	283,372	282,807	274,670
Total segment profit	2,295,084	543,775	526,407	612,719	604,811	533,779
Interest expense, net	(65,295)	(17,690)	(16,864)	(16,455)	(15,827)	(15,323)
Corporate expense	(341,468)	(83,762)	(66,015)	(101,550)	(90,257)	(65,899)
Intangible asset amortization	(142,156)	(34,100)	(39,122)	(40,625)	(33,667)	(33,764)
Other unallocated costs	(83,042)	(83,042)	—	—	—	—
Income before income taxes	1,663,123	325,181	404,406	454,089	465,060	418,793
Income taxes	(401,662)	(76,287)	(100,449)	(109,595)	(113,862)	(101,918)
Net income	\$ 1,261,461	\$ 248,894	\$ 303,957	\$ 344,494	\$ 351,198	\$ 316,875
Segment profit margin:						
Automotive	8.3%	7.6%	7.5%	9.0%	8.9%	7.5%
Industrial	12.6%	12.3%	11.6%	12.5%	12.9%	12.9%
Total segment profit margin	9.9%	9.4%	9.1%	10.4%	10.4%	9.6%

Reconciliation of Non-GAAP Financial Measures

Appendix D

Total Segment Profit & Total Segment Profit Margin

(in thousands)	2024	2024	2023			
	TTM	Q1	Q1	Q2	Q3	Q4
GAAP net income	\$ 1,261,461	\$ 248,894	\$ 303,957	\$ 344,494	\$ 351,198	\$ 316,875
Income taxes	401,662	76,287	100,449	109,595	113,862	101,918
Income before income taxes	1,663,123	325,181	404,406	454,089	465,060	418,793
Interest expense, net	65,295	17,690	16,864	16,455	15,827	15,323
Corporate expense	341,468	83,762	66,015	101,550	90,257	65,899
Intangible asset amortization	142,156	34,100	39,122	40,625	33,667	33,764
Other unallocated (loss) income, net	83,042	83,042	—	—	—	—
Total segment profit	\$ 2,295,084	\$ 543,775	\$ 526,407	\$ 612,719	\$ 604,811	\$ 533,779
GAAP net sales	\$ 23,109,123	\$ 5,783,631	\$ 5,765,118	\$ 5,915,006	\$ 5,824,602	\$ 5,585,884
GAAP net income margin	5.5%	4.3%	5.3%	5.8%	6.0%	5.7%
Total segment profit margin	9.9%	9.4%	9.1%	10.4%	10.4%	9.6%

Reconciliation of Non-GAAP Financial Measures (Cont.) Appendix D

Adj Net Income

(in thousands)	2024	2024	2023			
	TTM	Q1	Q1	Q2	Q3	Q4
GAAP net income	\$ 1,261,461	\$ 248,894	\$ 303,957	\$ 344,494	\$ 351,198	\$ 316,875
Adjustments:						
Restructuring and other costs (1)	83,042	83,042	—	—	—	—
Total adjustments	83,042	83,042	—	—	—	—
Tax impact of adjustments	(21,038)	(21,038)	—	—	—	—
Adjusted net income	<u>\$ 1,323,465</u>	<u>\$ 310,898</u>	<u>\$ 303,957</u>	<u>\$ 344,494</u>	<u>\$ 351,198</u>	<u>\$ 316,875</u>

(in thousands, except per share data)	2024	2024	2023			
	TTM	Q1	Q1	Q2	Q3	Q4
GAAP earnings per share	\$ 9.00	\$ 1.78	\$ 2.14	\$ 2.44	\$ 2.49	\$ 2.26
Adjustments:						
Restructuring and other costs (1)	0.59	0.59	—	—	—	—
Total adjustments	0.59	0.59	—	—	—	—
Tax impact of adjustments	(0.15)	(0.15)	—	—	—	—
Adjusted diluted earnings per share	<u>\$ 9.45</u>	<u>\$ 2.22</u>	<u>\$ 2.14</u>	<u>\$ 2.44</u>	<u>\$ 2.49</u>	<u>\$ 2.26</u>
Weighted average common shares outstanding — assuming dilution	140,096	140,096	141,725	141,247	140,934	140,359



Reconciliation of Non-GAAP Financial Measures (Cont.) Appendix D

Adj EBITDA

(in thousands)	2024	2024	2023			
	TTM	Q1	Q1	Q2	Q3	Q4
GAAP net income	\$ 1,261,461	\$ 248,894	\$ 303,957	\$ 344,494	\$ 351,198	\$ 316,875
Depreciation and amortization	353,924	90,610	87,215	90,873	83,860	88,581
Interest expense, net	65,295	17,690	16,864	16,455	15,827	15,323
Income taxes	401,662	76,287	100,449	109,595	113,862	101,918
EBITDA:	2,082,342	433,481	508,485	561,417	564,747	522,697
Restructuring and other (1)	83,042	83,042	—	—	—	—
Adjusted EBITDA	\$ 2,165,384	\$ 516,523	\$ 508,485	\$ 561,417	\$ 564,747	\$ 522,697

Adj Operating and Non-Operating Expenses

(in thousands)	Three Months Ended March 31,		QTD Change	
	2024	2023	\$ Change	% Change
GAAP operating and non-operating expenses	\$ 1,749,474	\$ 1,608,995	\$ 140,479	8.7%
Adjustments:				
Restructuring and other costs (1)	(83,042)	—	(83,042)	100.0%
Total adjustments	(83,042)	—	(83,042)	100.0%
Adjusted operating and non-operating expenses	\$ 1,666,432	\$ 1,608,995	\$ 57,437	3.6%
Adjusted operating and non-operating expenses as a percent of GAAP net sales	28.8%	27.9%		90 bps

Reconciliation of Non-GAAP Financial Measures (Cont.) Appendix D

Free Cash Flow

(in thousands)

	Three Months Ended March 31, 2024	TTM Ended March 31, 2024
Net cash provided by operating activities	\$ 318,306	\$ 1,556,409
Less: Purchases of property, plant and equipment	115,690	540,265
Free Cash Flow	<u>\$ 202,616</u>	<u>\$ 1,016,144</u>

Outlook

	Year Ending December 31, 2024
Net cash provided by operating activities	\$1.3 billion to \$1.5 billion
Purchases of property, plant and equipment	~\$500 million
Free Cash Flow	<u>\$800 million to \$1 billion</u>

- (1) **Restructuring and other costs:** Adjustment reflects the global restructuring initiative, which includes costs related to a voluntary retirement offer in the U.S. and rationalization and optimization of certain distribution centers, stores and other facilities.