



FOURTH QUARTER FISCAL 2025
EARNINGS CALL MAY 28, 2025

MONRO
AUTO SERVICE AND TIRE CENTERS

TIRE CHOICE
AUTO SERVICE CENTERS

MR. TIRE
AUTO SERVICE CENTERS

**KEN TIRE & AutoCare
TOWERYS**

TIRE WAREHOUSE
TIRES FOR LESS

TIRE BARN
TIRE & AUTO

carX
TIRE & AUTO

MOUNTAIN VIEW
TIRE & AUTO SERVICE

Certain statements in this presentation, other than statements of historical fact, including estimates, projections, statements related to our business plans and operating results are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Monro has identified some of these forward-looking statements with words such as “expect,” “estimate,” “may,” “anticipate,” “believe,” “focus,” “will,” “plan,” and the negative of these words or other comparable terminology. These forward-looking statements are based on Monro’s current expectations, estimates, projections and assumptions as of the date such statements are made, and are subject to risks and uncertainties that may cause results to differ materially from those expressed or implied in the forward-looking statements. Additional information regarding these risks and uncertainties are described in the Company’s filings with the Securities and Exchange Commission, including in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of our most recently filed periodic reports on Forms 10-K and Form 10-Q, which are available on Monro’s website at <https://corporate.monro.com/investors/financials/sec-filings/default.aspx>. Monro assumes no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

In addition to including references to diluted (loss) earnings per share (“EPS”), which is a generally accepted accounting principals (“GAAP”) measure, this presentation includes references to adjusted diluted (loss) earnings per share, which is a non-GAAP financial measure. Monro has included a reconciliation from adjusted diluted EPS to its most directly comparable GAAP measure, diluted EPS in the appendix to this presentation. Management views this non-GAAP financial measure as a way to better assess comparability between periods because management believes the non-GAAP financial measure shows the Company’s core business operations while excluding certain items that are not part of our core operations such as costs related to store impairment charges, transition costs related to back-office optimization, management restructuring/transition costs, store closing costs, litigation reserve costs, costs related to shareholder matters from our equity capital structure recapitalization, net loss on subsequent inventory adjustment related to the prior year sale of wholesale tire and distribution assets, and a gain on sale of corporate headquarters net of closing and relocation costs.

This non-GAAP financial measure is not intended to represent, and should not be considered more meaningful than, or as an alternative to, its most directly comparable GAAP measure. This non-GAAP financial measure may be different from similarly titled non-GAAP financial measures used by other companies.

Four Key Areas of Focus Identified as Opportunities for Improvement

Closing Unprofitable Stores

- Conducted comprehensive store portfolio review
- Identified 145 underperforming stores to prioritize for closure
- Review included evaluation of store performance, as well as market segmentation & demographic data specific to geographic areas of each location
- Setting in motion a process to close these locations during the first quarter of fiscal 2026
- Closure of these stores will have a limited impact on total sales but is expected to deliver meaningful improvement to profitability

Improving Our Customer Experience & Selling Effectiveness

- Reviewed stores across portfolio to understand the store experience from both the customer & teammate perspective
- Findings indicate that customers have had an uneven experience in stores, largely due to inconsistent teammate execution of core processes, including scheduling & appointments, communication, and quality of service
- Developing an approach to address customer pain points that we believe will improve the customer experience & unlock value in selling effectiveness
- ConfiDrive will continue to be a key component of in-store experience

Driving Profitable Customer Acquisition & Activation

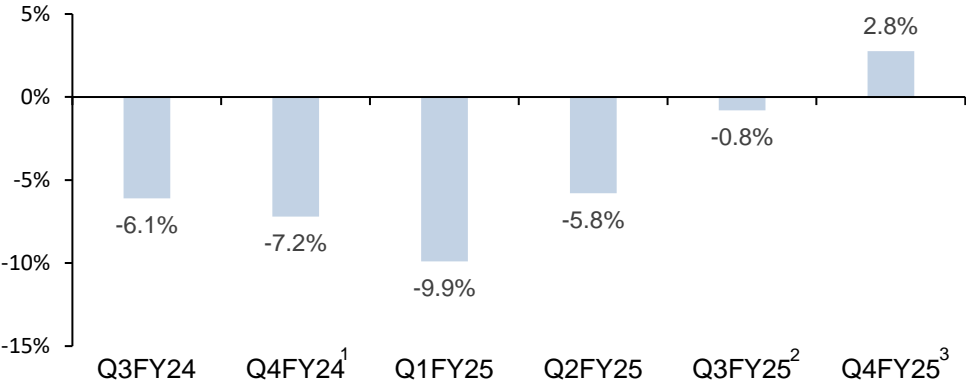
- Our work indicates a recent decline in quality & retention of new customers – we believe this is driven by suboptimal marketing
- Analysis also uncovered that Monro's highest value customers deliver 25x more profit than our lowest tier of customers
- In the process of converting our marketing testing to reallocate marketing dollars that are aimed at targeting higher value & more profitable customers – early results of the test are encouraging
- Approach will include additional testing of marketing, including variables such as message, type of media, promotional offers, etc.

Increasing Merchandising Productivity & Mitigating Tariff Risk

- Expect to narrow the breadth of core tire assortment, which will simplify the in-store selling process for both customers & teammates
- We are reviewing pricing & promotions across tires & services to ensure we deliver value to customers, while also achieving appropriate levels of profitability
- Tariffs are expected to drive cost increases across most product categories – mobilized an internal team for fact-based negotiations with top suppliers to mitigate as much of the anticipated tariffs as possible
- We expect that we may need to adjust prices to our customers to counter the impact of tariff-related cost increases

Positive Comparable Store Sales with Sequential Improvement in Comp Sales as the Fourth Quarter Progressed

Quarterly Comparable Store Sales Trends

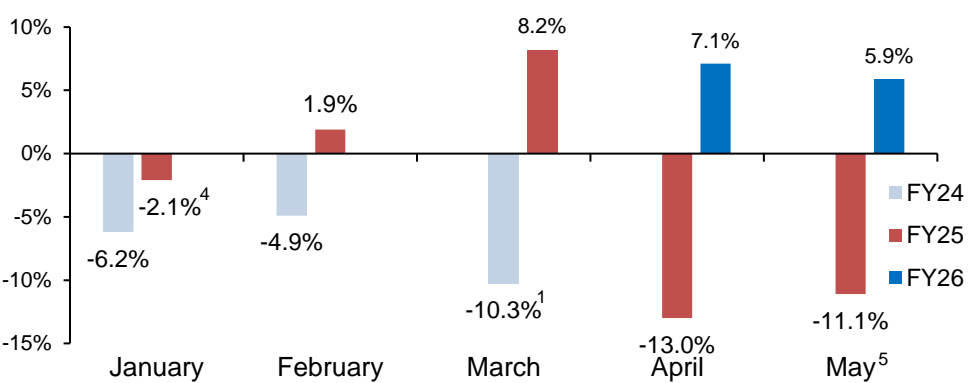


Q4FY25

Key Highlights

- Comp store sales increased 2.8%³ (decreased 3.6%, unadjusted for days)
- Sequential improvement in comp store sales as the months of the quarter progressed
- Sales momentum has continued into April and May

Monthly Comparable Store Sales Trends



Q4FY25

Key Highlights

- Product and service category performance³:
 - Front/End Shocks: +27%
 - Batteries: +25%
 - Tires: +2%
 - Brakes: +2%
 - Service: +1%
 - Alignments: -1%
- Service categories ~54% of sales, consistent with the prior year period

¹ Adjusted for extra week of sales in fiscal 2024
² Adjusted for one fewer selling day due to a shift in the timing of the Christmas holiday from the fourth quarter in fiscal 2024 to the third quarter in fiscal 2025
³ Adjusted for six fewer selling days in the current year quarter due to an extra week of sales in fiscal 2024 and a shift in the timing of the Christmas holiday from the fourth quarter in fiscal 2024 to the third quarter in fiscal 2025

⁴ Adjusted for one additional selling day ⁵ Fiscal 2026 represents preliminary results through May 24, 2025

Fourth Quarter Fiscal 2025 Results



**Gross Margin Impacted by Consumer Trade-Down, Increased Self-Funded Promotions & Increased Technician Labor Costs;
Operating Margin Further Impacted by Store Impairment Costs**

	Q4FY25	Q4FY24	Δ
Sales (millions)	\$295.0	\$310.1	(4.9%)
Same Store Sales¹	2.8%	-7.2%	1,000 bps
Gross Margin	33.0%	35.5%	(250) bps
Operating Margin	-8.1%	3.3%	(1,140) bps
Adjusted Diluted EPS²	\$(.09)	\$.21	(142.9%)

¹ Q4FY25 adjusted for six fewer selling days in the current year quarter due to an extra week of sales in fiscal 2024 and a shift in the timing of the Christmas holiday from the fourth quarter in fiscal 2024 to the third quarter in fiscal 2025 (decreased 3.6%, unadjusted for days); Q4FY24 same store sales decreased 7.2% when adjusted for an extra week of sales in fiscal 2024 (increased 0.1%, unadjusted for days)

² Please refer to the reconciliation of adjusted diluted EPS in the appendix to this presentation and in our earnings release for further details regarding excluded items in Q4FY25 and Q4FY24. Adjusted Diluted EPS is a non-GAAP measure that excludes certain items that are not part of our core operations such as costs related to store impairment charges, transition costs related to back-office optimization, management restructuring/transition costs, store closing costs, litigation reserve costs, costs related to shareholder matters from our equity capital structure recapitalization, net loss on subsequent inventory adjustment related to the prior year sale of wholesale tire and distribution assets, and a gain on sale of corporate headquarters net of closing and relocation costs. A reconciliation of net (loss) income to adjusted net (loss) income and diluted EPS to adjusted diluted EPS is included in our earnings release dated May 28, 2025.

Operating Cash Flow Supports Capital Allocation Priorities

Disciplined Capital Allocation

Fiscal 2025

- Received ~\$12M of divestiture proceeds
- Received ~\$9M from sale of corporate headquarters
- Capex of ~\$26M
- Spent ~\$40M in principal payments for financing leases
- Paid ~\$35M in dividends

Strong Balance Sheet and Liquidity

- Generated operating cash flow of ~\$132M, including ~\$43M of working capital reductions during fiscal 2025
- Net bank debt of ~\$40M as of March 2025
- Availability under credit facility of ~\$509M and cash and equivalents of ~\$21M as of March 2025

Fiscal 2026 Expectations

- Expects to deliver year-over-year comparable store sales growth, primarily driven by the Company's improvement plan, as well as any tariff-related price increases to customers
- Sales momentum has continued into first quarter of fiscal 2026 with preliminary quarter-to-date comp sales that are up approximately 7%
- Expects the results of store optimization plan to reduce total sales by approximately \$45M in fiscal 2026
- Expects that gross margin will continue to remain pressured (given expected baseline cost inflation as well as exposure to tariff-related cost increases), particularly as it relates to a tough gross margin comparison in the first quarter of the prior year period
- Expects to partially offset some baseline cost inflation as well as some tariff-related cost increases with benefits from closing stores and operational improvements from the Company's improvement plan, which will allow the Company to deliver a year-over-year improvement in adjusted diluted earnings per share
- Expects to incur store closure costs of approximately \$10M to \$15M, primarily during the first quarter of fiscal 2026, as a result of store portfolio optimization plan
- Expects to generate sufficient operating cash flow that will allow the Company to maintain a strong financial position and to fund all capital allocation priorities, including the Company's dividend
- Expects CAPEX spend of \$25M to \$35M

Appendix

Reconciliation of Adjusted Diluted EPS (Unaudited)



	Quarter Ended Fiscal March	
	2025	2024
Diluted EPS	\$(.72)	\$.12
Store impairment charges	.57	.04
Management restructuring/transition costs	.04	.03
Transition costs related to back-office optimization	.01	.01
Store closing costs	.00	.01
Net gain on sale of Corporate headquarters	.00	.00
Adjusted Diluted EPS	\$(.09)	\$.21

Note: Amounts may not foot due to rounding.