



SECOND QUARTER FISCAL 2026
EARNINGS CALL OCTOBER 29, 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 “continue,” “expect,” “may,” “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 operating income, net income, and diluted earnings per share (“EPS”), which are generally accepted accounting principals (“GAAP”) measures, this presentation includes references to adjusted operating income, adjusted net income, and adjusted diluted EPS, which are non-GAAP financial measures. Monro has included reconciliations from adjusted operating income, adjusted net income, and adjusted diluted EPS to their most directly comparable GAAP measures, operating income, net income, and diluted EPS in the appendix to this presentation. Management views these non-GAAP financial measures as a way to better assess comparability between periods because management believes these non-GAAP financial measures show the Company’s core business operations while excluding certain items that are not part of our core operations such as consulting costs related to our operational improvement plan, store closing costs net of related gains on the sale of owned locations, lease assignments and early lease terminations, transition costs related to back-office optimization, costs related to store impairment charges, and net gain on sale of corporate headquarters.

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

Four Key Areas of Focus Identified as Opportunities for Improvement

Driving Profitable Customer Acquisition & Activation

- During the second quarter, continued to advance acquisition marketing efforts through deployment of wide range of digital marketing tools to reach target audience & have also increasingly activated our Customer Relationship Management marketing to speak to existing customers
- Integrated into marketing activities is the completion of a customer segmentation analysis that is helping to augment marketing efforts with further granularity on higher value existing & potential customers
- Have now ramped refined targeting to almost 600 stores & are encouraged to see that these stores are outperforming the balance of our store chain on several key metrics

Increasing Merchandising Productivity & Mitigating Tariff Risk

- Continue to work closely with tire vendors to align on go-forward assortment opportunities that drive incremental sales
- Now in the process of developing an updated tire assortment strategy that will resonate with guests
- Received additional support from vendors with our fall promotions, which have helped accelerate the sell-out of tire inventory
- Implementing new analytical tools for demand & inventory forecasting, as well as for pricing – will enable us to run a more dynamic sales & operations planning process
- Continue to carefully manage & actively monitor the impact of tariffs

Improving Our Customer Experience & Selling Effectiveness

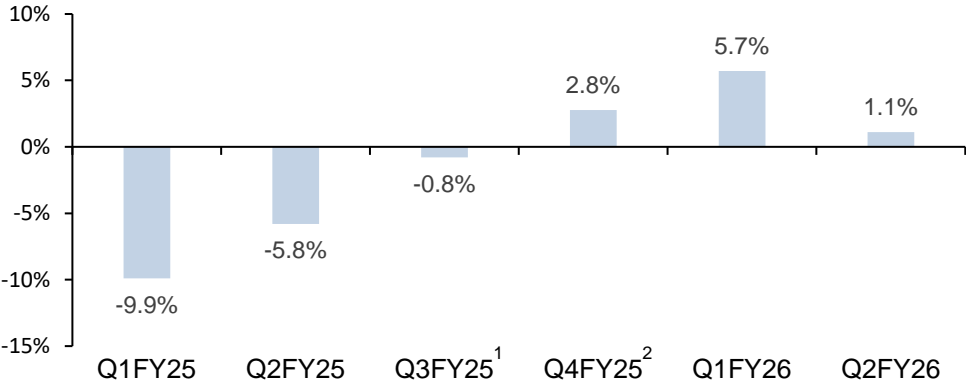
- During the second quarter, further emphasized ConfiDrive to more effectively present pictures of needed vehicle maintenance & repairs to guests during their visit to our stores
- In the more than 700 stores where our customer call center has already been implemented, encouraged to see that these stores are outperforming the balance of our store chain on key metrics
- Plan to expand the roll-out of customer call center to all stores by early November
- Completed a field re-alignment to right size & streamline field management
- Introduced district manager toolkit to better leverage data & analytics

Closed Store Real Estate Dispositions

- After having successfully completed the closure of 145 underperforming stores & re-positioning our inventory in the first quarter, started a process to exit real estate at these locations, which includes 40 owned stores
- During the second quarter, exited 21 leases & sold 3 owned locations, which resulted in proceeds of \$5.5M
- As a reminder, this process is expected to generate positive cash flows & be largely completed during the next few quarters
- Importantly, this allows us to focus on improving performance in our continuing locations for the remainder of fiscal 2026

Third Consecutive Quarter of Comparable Store Sales Growth

Quarterly Comparable Store Sales Trends



Q2FY26

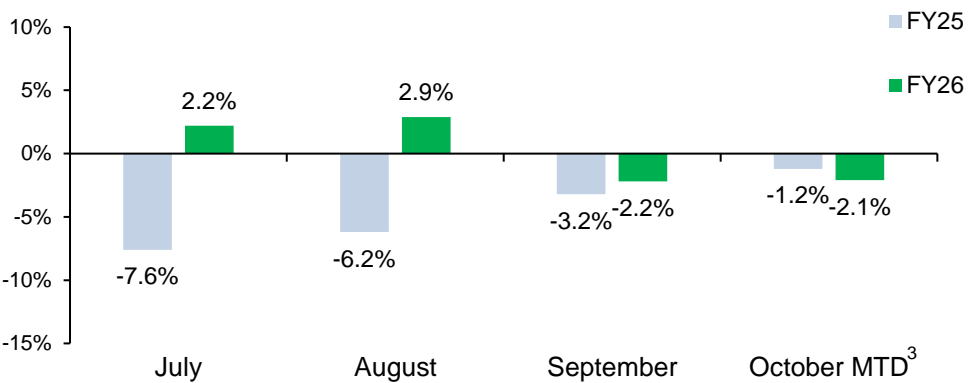
Key Highlights

- Comp store sales increased 1.1%, which enabled us to report three consecutive quarters of positive comps for the first time in a couple of years
- Generated 21 cents of adjusted diluted EPS, which exceeded 17 cents of adjusted diluted EPS in the prior year second quarter
- Expanded gross margin 40 basis points year-over-year to 35.7%
- Maintained prudent operating cost control
- Reduced inventory levels across the system by ~\$11M sequentially, which reflects improved inventory management

¹ 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

² 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

Monthly Comparable Store Sales Trends



Q2FY26

Key Highlights

- Product and service category performance:
 - Front/End Shocks: +18%
 - Brakes: +6%
 - Tires: flat
 - Service: flat
 - Alignments: -5%
 - Batteries: -21%
- Service categories ~53% of sales, consistent with the prior year period

³ Fiscal 2026 represents preliminary results through October 25, 2025

Second Quarter Fiscal 2026 Results



Gross Margin Expansion Driven by Lower Occupancy & Material Costs, Maintained Prudent Operating Cost Control; Adjusted Diluted EPS¹ Higher than Prior Year

	Q2FY26	Q2FY25	Δ
Sales (millions)	\$288.9	\$301.4	(4.1%)
Same Store Sales	1.1%	-5.8%	690 bps
Gross Margin	35.7%	35.3%	40 bps
Adjusted Operating Income¹ (% of sales)	4.8%	4.2%	60 bps
Adjusted Diluted EPS¹	\$.21	\$.17	23.5%

¹ Please refer to the reconciliations of adjusted operating income and adjusted diluted EPS in the appendix to this presentation and in our earnings release for further details regarding excluded items in Q2FY26 and Q2FY25. Adjusted operating income and adjusted diluted EPS are non-GAAP measures that exclude certain items that are not part of our core operations such as consulting costs related to our operational improvement plan, store closing costs net of related gains on the sale of owned locations, lease assignments and early lease terminations, transition costs related to back-office optimization, costs related to store impairment charges, and net gain on sale of corporate headquarters. Reconciliations of operating income to adjusted operating income and diluted EPS to adjusted diluted EPS are included in our earnings release dated October 29, 2025.

Balance Sheet and Liquidity Support Capital Allocation Priorities

Disciplined Capital Allocation

First Half Fiscal 2026

- Received ~\$7M from disposal of property and equipment
- Received ~\$3M of divestiture proceeds
- Capex of ~\$13M
- Spent ~\$19M in principal payments for financing leases
- Paid ~\$17M in dividends

Strong Balance Sheet and Liquidity

- Generated operating cash flow of ~\$30M during the first half of fiscal 2026
- Net bank debt of ~\$50M as of September 2025
- Availability under credit facility of ~\$410M and cash and equivalents of ~\$10M as of September 2025

Fiscal 2026 Expectations

- Expects to continue to deliver year-over-year comparable store sales growth, primarily driven by the Company's improvement plan, as well as any tariff-related price adjustments to customers
- Continues to expect the results of store optimization plan to reduce total sales by approximately \$45M in fiscal 2026
- Expects that gross margin will be consistent with fiscal 2025 (given expected baseline cost inflation as well as exposure to tariff-related cost increases)
- Expects to continue 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 continue 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 Operating Income (Unaudited)



(Dollars in Thousands)
Quarter Ended Fiscal
September

	2025	2024
Operating Income	\$12,750	\$13,202
Consulting costs related to operational improvement plan	8,264	-
Transition costs related to back-office optimization	527	553
Store closing costs, net of related gains on sale of owned locations, lease assignments and early lease terminations	(7,561)	531
Store impairment charges	-	1,031
Net gain on sale of corporate headquarters	-	(2,764)
Adjusted Operating Income	\$13,980	\$12,553

Reconciliation of Adjusted Net Income (Unaudited)



(Dollars in Thousands)
Quarter Ended Fiscal
September

	2025	2024
Net Income	\$5,665	\$5,647
Consulting costs related to operational improvement plan	8,264	-
Transition costs related to back-office optimization	527	553
Store closing costs, net of related gains on sale of owned locations, lease assignments and early lease terminations	(7,561)	531
Store impairment charges	-	1,031
Net gain on sale of corporate headquarters	-	(2,764)
Provision for income taxes on pre-tax adjustments	(320)	177
Adjusted Net Income	\$6,575	\$5,175

Reconciliation of Adjusted Diluted EPS (Unaudited)



Quarter Ended Fiscal
September

	2025	2024
Diluted Earnings Per Share	\$.18	\$.18
Consulting costs related to operational improvement plan	.19	-
Transition costs related to back-office optimization	.01	.01
Store closing costs, net of related gains on sale of owned locations, lease assignments and early lease terminations	(.18)	.01
Store impairment charges	-	.02
Net gain on sale of corporate headquarters	-	(.06)
Adjusted Diluted EPS	\$.21	\$.17

Note: Amounts may not foot due to rounding.