



THIRD QUARTER FISCAL 2026  
EARNINGS CALL JANUARY 28, 2026

**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, transition costs related to back-office optimization, store closing costs net of related gains on the sale of owned locations, lease assignments and early lease terminations, costs related to shareholder matters, costs related to store impairment charges, net gain on sale of corporate headquarters, litigation reserve, and write-off of debt issuance costs.

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 third quarter, continued to advance acquisition marketing efforts through the expansion of a multi-channel digital media plan to target high value potential audiences
- Expanded marketing to more than 340 additional store locations
- Implemented a measurement framework that provides visibility into marketing's impact on key performance indicators
- Continued to activate Monro's CRM database to attract existing customers to re-visit our stores through specific offers
- Added call center support to 114 additional store locations; now have more than 830 stores benefitting from our customer call center

### **Increasing Merchandising Productivity & Mitigating Tariff Risk**

- In the third quarter, continued to build out our foundational vendor & assortment strategy
- In our tire category, we focused heavily on ensuring inventory availability to present a well-developed product assortment to guests during the fall & early winter selling season
- As the weather changed, we leveraged our strong supplier & distributor relationships to expand availability where needed
- We are refining our assortment for the next selling season, with an emphasis on achieving our objective to narrow our tire assortment
- Continue to carefully manage the impact of tariffs on costs & pricing

### **Improving Our Customer Experience & Selling Effectiveness**

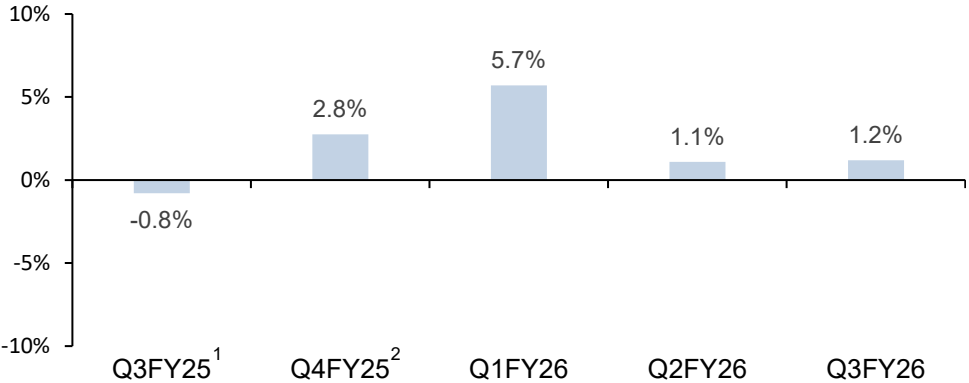
- During the third quarter, continued to work towards expanding the usage of our ConfiDrive inspection tool on every customer vehicle visiting our stores
- Goal is to provide transparency & ensure that we hand back the keys to a safer vehicle when we return it to the customer
- Streamlined & agile field organization enables us to communicate faster within our field network, which has improved our ability to serve guests
- Created & implemented useful analytical tools, such as the District Manager Toolkit as well as a labor force optimization capability that enables field leaders to better develop store-based teammates
- Invested in a team of field compliance support specialists

### **Closed Store Real Estate Dispositions**

- Following the closure of 145 underperforming stores in the early part of this fiscal year, we initiated a process to exit the real estate at these locations, which included 40 stores that we own
- During the third quarter, exited 32 leases & sold 20 owned locations, which resulted in proceeds of \$17.3M
- This brings us to a total of 57 leases exited & 25 locations sold, resulting in cumulative proceeds of \$22.8M fiscal year-to-date
- This process is expected to generate positive cash flow & be largely completed during the next few quarters
- Importantly, this allows us to focus on improving our continuing locations

Delivered Positive Comparable Stores Sales Growth on a 2-Year Stack; Fourth Consecutive Quarter of Positive Comps

Quarterly Comparable Store Sales Trends



Q3FY26

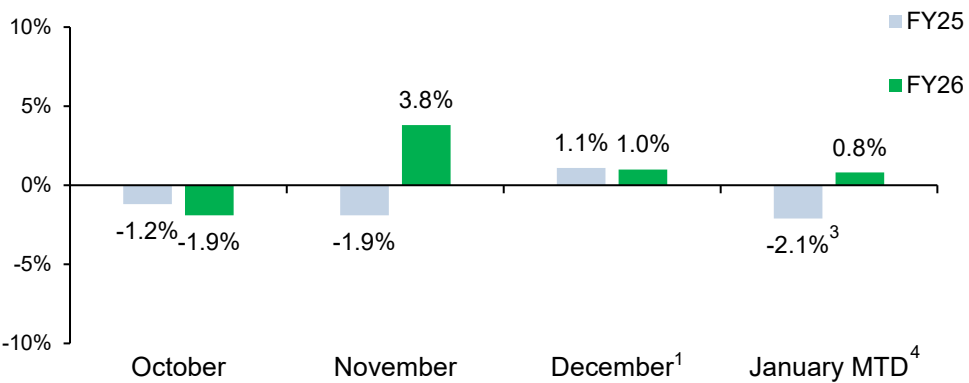
Key Highlights

- Comp store sales increased 1.2%, marking the first time we delivered positive comps on a 2-year stack in over two years; this enabled us to report our fourth consecutive quarter of positive comps for the first time in several years
- Expanded gross margin 60 basis points year-over-year to 34.9%
- Re-invested SG&A savings from closed stores into additional marketing
- Reduced inventory levels across the system by over \$7M sequentially, which reflects our continued management of inventories more efficiently

<sup>1</sup> 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

<sup>2</sup> 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



Q3FY26

Key Highlights

- Product and service category performance:
  - Front/End Shocks: +7%
  - Tires: +5%
  - Brakes: -1%
  - Service: -2%
  - Alignments: -13%
  - Batteries: -16%
- Service categories ~49% of sales vs. ~50% of sales in prior year period

<sup>3</sup> Adjusted for one additional selling day

<sup>4</sup> Fiscal 2026 represents preliminary results through January 24, 2026

# Third Quarter Fiscal 2026 Results



**Gross Margin Expansion Driven by Lower Material & Occupancy Costs; Increased Marketing Spend to Support Topline Growth**

	Q3FY26	Q3FY25	Δ
<b>Sales (millions)</b>	\$293.4	\$305.8	(4.0%)
<b>Same Store Sales<sup>1</sup></b>	1.2%	-0.8%	200 bps
<b>Gross Margin</b>	34.9%	34.3%	60 bps
<b>Adjusted Operating Income<sup>2</sup> (% of sales)</b>	3.5%	3.8%	(30) bps
<b>Adjusted Diluted EPS<sup>2</sup></b>	\$.16	\$.19	(15.8%)

<sup>1</sup> Q3FY25 adjusted for one fewer selling day in the third quarter of fiscal 2025 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 (decreased -1.9%, unadjusted for days)

<sup>2</sup> 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 Q3FY26 and Q3FY25. 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, transition costs related to back-office optimization, store closing costs net of related gains on the sale of owned locations, lease assignments and early lease terminations, costs related to shareholder matters, costs related to store impairment charges, net gain on sale of corporate headquarters, litigation reserve, and write-off of debt issuance costs. Reconciliations of operating income to adjusted operating income and diluted EPS to adjusted diluted EPS are included in our earnings release dated January 28, 2026.

## Balance Sheet and Liquidity Support Capital Allocation Priorities

### Disciplined Capital Allocation

#### YTD Fiscal 2026

- Received ~\$25M from disposal of property and equipment
- Received ~\$3M of divestiture proceeds
- Capex of ~\$22M
- Spent ~\$28M in principal payments for financing leases
- Paid ~\$26M in dividends

### Strong Balance Sheet and Liquidity

- Generated operating cash flow of ~\$48M during YTD fiscal 2026
- Net bank debt of ~\$40M as of December 2025
- Availability under credit facility of ~\$425M and cash and equivalents of ~\$5M as of December 2025

## Fiscal 2026 Expectations

- Continue to expect to deliver year-over-year comparable store sales growth, primarily driven by the Company's improvement plan, as well as tariff-related price adjustments to customers
- Continue to expect the results of store optimization plan to reduce total sales by approximately \$45M in fiscal 2026
- Expect that gross margin will be consistent with fiscal 2025 (given baseline cost inflation as well as tariff-related cost increases)
- Continue to expect 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. Expect to re-invest the selling, general, & administrative expense savings from closed stores into additional marketing to support topline growth at continuing stores
- Continue to expect to generate sufficient 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
- Expect CAPEX spend of \$25M to \$35M

# Appendix

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# Reconciliation of Adjusted Operating Income (Unaudited)



(Dollars in Thousands)  
Quarter Ended Fiscal  
December

	2025	2024
<b>Operating Income</b>	<b>\$18,570</b>	<b>\$9,963</b>
Consulting costs related to operational improvement plan	4,652	-
Transition costs related to back-office optimization	518	527
Costs related to shareholder matters	97	-
Litigation reserve	-	650
Net gain on sale of corporate headquarters	-	73
Store closing costs, net of related gains on sale of owned locations, lease assignments and early lease terminations	(13,525)	437
<b>Adjusted Operating Income</b>	<b>\$10,312</b>	<b>\$11,650</b>

# Reconciliation of Adjusted Net Income (Unaudited)



(Dollars in Thousands)  
Quarter Ended Fiscal  
December

	2025	2024
<b>Net Income</b>	<b>\$11,139</b>	<b>\$4,583</b>
Consulting costs related to operational improvement plan	4,652	-
Transition costs related to back-office optimization	518	527
Costs related to shareholder matters	97	-
Litigation reserve	-	650
Net gain on sale of corporate headquarters	-	73
Store closing costs, net of related gains on sale of owned locations, lease assignments and early lease terminations	(13,525)	437
Provision for income taxes on pre-tax adjustments	2,147	(479)
<b>Adjusted Net Income</b>	<b>\$5,028</b>	<b>\$5,791</b>

# Reconciliation of Adjusted Diluted EPS (Unaudited)



Quarter Ended Fiscal  
December

	2025	2024
<b>Diluted Earnings Per Share</b>	<b>\$.35</b>	<b>\$.15</b>
Consulting costs related to operational improvement plan	.11	-
Transition costs related to back-office optimization	.01	.01
Costs related to shareholder matters	.00	-
Litigation reserve	-	.01
Net gain on sale of corporate headquarters	-	.00
Store closing costs, net of related gains on sale of owned locations, lease assignments and early lease terminations	(.32)	.01
<b>Adjusted Diluted EPS</b>	<b>\$.16</b>	<b>\$.19</b>

Note: Amounts may not foot due to rounding.