

LKQ Europe positioned for continued growth after the crisis

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Integration currently in focus – security of supply chain guaranteed by ability to deliver-advanced training in great demand.

Munich, Germany. LKQ Europe the European automotive Independent Aftermarket market leader, is positioned for continued growth after the coronavirus crisis. Acquisitions remain important for the company now, as the situation unfolds, and after the crisis. „We will of course continue to monitor the market and will also look for external growth opportunities again when the time comes,“ said Arnd Franz, CEO of LKQ Europe, in an interview published today with the Frankfurter Allgemeine Zeitung (FAZ). „After the coronavirus crisis, we want to grow over proportionally again. Currently, the integration of the more than 70 European market-leading companies acquired since 2011 remains a priority throughout the current crisis.

LKQ Europe is by far the largest and only pan-European automotive parts distributor. This market position will be maintained and further expanded upon with new services, explained Franz. In the past three years alone, LKQ Europe has invested hundreds of millions of euros into two new fully-automated central warehouses in England and the Netherlands, the latter of which will go into operation at the end of 2020. The acquired companies are clearly benefiting from the high level of investment, as the example of Euro Car Parts in England shows: since the takeover in 2011, the number of employees has tripled, the number of branches has quadrupled, and turnover has increased fivefold.

In the current integration phase, LKQ Europe is investing primarily into a uniform European IT infrastructure and into harmonized standards, for example in purchasing and inventory management. Arnd Franz said „the European integration will enable us to leverage our strengths even better in the interests of our customers.“ LKQ Europe is already a strong partner, especially for European companies such as fleet operators. With new services and training in the areas of digitalization, networking, security and environmental protection, LKQ Europe is constantly expanding its offering. In the current crisis, the need for information has increased once again. LKQ Europe is responding to this with an increased number of digital training courses and is informing its customers about operational questions, health care, and financing.

Arnd Franz also spoke about preparations for, and managing through, the crisis. „We already started to prepare ourselves in January; for example, through higher safety stocks,“ said Arnd. „We are able to deliver, even if our suppliers are temporarily unable to produce. Though this is the worst crisis in decades, LKQ Europe’s top priority is to ensure the reliability of its delivery for its customers, as well as the protection of our employees.”

According to Arnd Franz, automotive workshops, and especially the steadily-growing number of independent workshops in recent years, guarantee safe,

clean, and individual mobility. „It is a system-relevant business and we support our customers by continuing to guarantee the fast delivery of vehicle parts.“ In Germany alone, LKQ Europe supplies more than 15,000 workshops with automotive parts per day. „If we can ensure that hundreds of thousands of vehicles continue to be serviced in Germany’s workshops every day, our economy will come out of this crisis in better shape and we will avoid more accidents, broken-down vehicles and, last but not least, pollutant emissions.“

„Therefore, workshops must remain open,“ said Arnd Franz as he addressed politicians throughout Europe.

About LKQ Europe

LKQ Europe, a subsidiary of LKQ Corporation, is the leading distributor of automotive Aftermarket parts for cars, commercial vans and industrial vehicles in Europe. It currently employs almost 28,000 people in over 20 European countries with a network of over 1,100 branches. The group is represented by Euro Car Parts, Fource, Rhiag Group, Elit, AutoKelly, Stahlgruber Group, as well as recycling specialist, Atracco. LKQ also holds a minority interest in Mekonomen.

About LKQ Corporation

LKQ Corporation (www.lkqcorp.com) is a leading provider of alternative and specialty parts to repair and accessorize automobiles and other vehicles. LKQ has operations in North America, Europe and Taiwan. LKQ offers its customers a broad range of replacement systems, components, equipment and parts to repair and accessorize automobiles, trucks, and recreational and performance vehicles.

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