
LKQ Corporation acquires Greenleaf Auto Recyclers from Schnitzer Steel

Saturday, 03 Oct, 2009

LKQ Corporation announced that it has acquired Greenleaf Auto Recyclers, LLC from Schnitzer Steel Industries Inc.

Greenleaf is the entity through which SSI operated in the late model automotive parts recycling business.

In addition, SSI has acquired from LKQ four retail oriented self-service recycling facilities in Oregon and Washington. LKQ also sold certain business assets to SSI related to two self-service facilities in Northern California and a self-service facility in Portland. LKQ will close the two self-service facilities in Northern California and convert the self-service operation in Portland, OR to a wholesale recycling business.

LKQ has also agreed, subject to customary closing conditions, to sell SSI two self-service recycling facilities in Dallas, TX with an anticipated closing date in mid-January 2010.

Terms of these transactions were not disclosed.

Mr Joe Holsten president & CEO of LKQ said "These transactions provide us with additional wholesale recycling capacity and enhanced customer penetration in numerous markets in our late model recycled auto parts business line, and provide our initial entry to the northern Virginia market."

Mr. Holsten added, "While the self-service operations we are disposing of are good businesses, they fit better with SSI's operations and business model."

The wholesale recycling business acquired consists of 17 operating locations. These facilities are located in Michigan, Ohio, Massachusetts, Virginia, North Carolina, Georgia, Florida, Texas, and Nevada. LKQ plans to merge certain locations together with its existing wholesale recycling operations, which will result in the elimination of approximately 11 operating locations.

LKQ expects to incur restructuring expenses in 2009 and 2010 related to the Greenleaf consolidation efforts. In addition there will be restructuring expenses related to the closing of the self-service businesses in 2009.

LKQ Corporation is the largest nationwide provider of aftermarket collision replacement products, recycled OEM products and refurbished OEM collision replacement products such as wheels, bumper covers and lights which are used to repair light vehicles. LKQ operates approximately 280 facilities offering its customers a broad range of replacement systems, components, and parts to repair automobiles and light, medium and heavy-duty trucks.

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