FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] Quarterly report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended February 14, 1998, or

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _______ to ________.

Commission file number 1-10714

AUTOZONE, INC.
(Exact name of registrant as specified in its charter)

Nevada	62-1482048
(State or other jurisdiction of incorporation or organization)	(I.R.S.Employer Identification No.)

123 South Front Street
Memphis, Tennessee 38103
(Address of principal executive offices) (Zip Code)

(901) 495-6500
Registrant's telephone number, including area code

(not applicable)
Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock, $.01 Par Value - 152,560,302 shares as of March 27, 1998.

AUTOZONE, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

	Feb. 14, 1998 (Unaudited)	Aug.30, 1997
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,803	$ 4,668
Accounts receivable	19,703	18,713
Merchandise inventories	719,806	709,446
Prepaid expenses	17,609	20,987
Deferred income taxes	25,367	24,988
Total current assets	787,288	778,802
Property and equipment:		
Property and equipment	1,463,404	1,336,911
Less accumulated depreciation		

and amortization	(296,475)	(255,783)
	1,166,929	1,081,128
Other assets:		
Cost in excess of net assets acquired	16,286	16,570
Deferred income taxes	6,559	4,339
Other assets	3,738	3,178
	26,583	24,087
	$ 1,980,800	$ 1,884,017

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable	$ 399,179	$ 449,793
Accrued expenses	114,486	122,580
Income taxes payable	19,653	20,079
Total current liabilities	533,318	592,452
Long-term debt	263,800	198,400
Other liabilities	15,103	17,957
Stockholders' equity	1,168,579	1,075,208
	$ 1,980,800	$ 1,884,017

SEE NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AUTOZONE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(in thousands, except per share amounts)

	Twelve Weeks Ended		Twenty-four Weeks Ended	
	Feb. 14, 1998	Feb. 15, 1997	Feb. 14, 1998	Feb. 15, 1997
Net Sales	$ 607,097	$ 538,012	$ 1,282,371	$ 1,107,157
Cost of sales, including warehouse and delivery expenses	353,416	311,056	748,249	639,903
Operating, selling, general and administrative expenses	195,599	177,739	397,392	356,139
Operating profit	58,082	49,217	136,730	111,115
Interest expense	3,028	2,110	5,530	3,283
Income before income taxes	55,054	47,107	131,200	107,832
Income taxes	20,700	17,700	49,300	40,450
Net income	$ 34,354	$ 29,407	$ 81,900	$ 67,382
Weighted average shares for basic earnings per share	152,061	150,509	151,879	150,385
Effect of dilutive stock options	1,640	1,742	1,883	1,879
Adjusted weighted average shares for diluted earnings per share	153,701	152,251	153,762	152,264
Basic earnings per share	$ 0.23	$ 0.20	$ 0.54	$ 0.45
Diluted earnings per share	$ 0.22	$ 0.19	$ 0.53	$ 0.44

SEE NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AUTOZONE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Twenty-four Weeks Ended	
	Feb. 14, 1998	Feb.15, 1997
	(in thousands)	
Cash flows from operating activities:		
Net income	$ 81,900	$ 67,382
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	40,092	35,482
Net increase in merchandise inventories	(10,360)	(108,326)
Net decrease in current liabilities	(59,134)	(9,330)
Other - net	(3,639)	(9,966)
Net cash provided by (used in) operating activities	48,859	(24,758)
Cash flows from investing activities:		
Cash outflows for property and equipment, net	(125,595)	(103,344)
Cash flows from financing activities:		
Net proceeds from debt	65,400	121,500
Proceeds from sale of Common Stock, including related tax benefit	11,471	7,334
Net cash provided by financing activities	76,871	128,834
Net increase in cash and cash equivalents	135	732
Cash and cash equivalents at beginning of period	4,668	3,904
Cash and cash equivalents at end of period	$ 4,803	$ 4,636

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE A--BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the twenty-four weeks ended February 14, 1998, are not necessarily indicative of the results that may be expected for the fiscal year ending August 29, 1998. For further information, refer to the financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended August 30, 1997.

NOTE B--INVENTORIES

Inventories are stated at the lower of cost or market using the last-in, first-out (LIFO) method. An actual valuation of inventory under the LIFO method can be made only at the end of each year based on the inventory levels and costs at that time. Accordingly, interim LIFO calculations must necessarily be based on management's estimates of expected year-end inventory levels and costs.

NOTE C--DEBT

On February 10, 1998, the Company increased its five-year unsecured revolving credit facility by $75 million for a total of $350 million which extends until December 2001. The rate of interest payable under the agreement is a function of the London Interbank Offered Rate (LIBOR), or the lending bank's base rate (as defined in the agreement), or a competitive bid rate, at the option of the Company. At February 14, 1998, the Company's borrowings under this agreement were $263.8 million and the weighted average interest rate was 5.9%. The unsecured revolving credit agreement contains a covenant limiting the amount of debt the Company may incur relative to its total capitalization.

The Company also has a negotiated rate unsecured revolving credit agreement totaling $25 million which extends until March 26, 1998. There were no amounts outstanding under the agreement as of February 14, 1998. On March 26, 1998 the Company amended this facility to extend the maturity date to March 26, 1999.

NOTE D--SHAREHOLDERS EQUITY

In January 1998, the Company announced Board approval to purchase up to $100 million of its common stock in the open market.

NOTE E--SUBSEQUENT EVENTS

On February 17, 1998, the Company acquired 100% of the voting stock of ADAP, Inc. (Auto Palace) for $55 million in a transaction accounted for as a purchase. Financial information of Auto Palace will be included in the results of operations from the date of the acquisition. The Auto Palace balance sheet and results of operations are not material to the consolidated results of the Company.

On February 23, 1998, the Company acquired a 364-day credit facility with a group of banks for $150 million. The rate of interest payable under the agreement is a function of the London Interbank Offered Rate (LIBOR), or the lending bank's base rate (as defined in the agreement), or a competitive bid rate, at the option of the Company. The unsecured revolving credit agreement contains a covenant limiting the amount of debt the Company may incur relative to its total capitalization.

On March 2, 1998, the Company announced it had reached a definitive agreement to acquire assets and liabilities of TruckPro, L.P. (TruckPro). If consummated, the transaction would not have a material impact on the fiscal 1998 financial position or consolidated operating results. The transaction is subject to the satisfactory completion of certain conditions and regulatory approvals. Financial information of TruckPro will be included in the results of operations, if consummated, from the date of acquisition.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

TWELVE WEEKS ENDED FEBRUARY 14, 1998, COMPARED TO TWELVE WEEKS ENDED FEBRUARY 15, 1997

Net sales for the twelve weeks ended February 14, 1998 increased by $69.1 million, or 12.8%, over net sales for the comparable period of fiscal 1997. This increase was due to a comparable store sales increase of 2%, (which was primarily due to the sales growth of the Company's newer stores and the added sales of the Company's commercial program), and increases in net sales for stores opened since the beginning of fiscal 1997. At February 14, 1998 the Company had 1,824 stores in operation compared with 1,516 stores at February 15, 1997.

Gross profit for the twelve weeks ended February 14, 1998, was $253.7 million, or 41.8% of net sales, compared with $227.0 million, or 42.2% of net sales, during the comparable period for fiscal 1997. The decrease in the gross profit percentage was due primarily to lower antifreeze gross margins.

Operating, selling, general and administrative expenses for the twelve weeks ended February 14, 1998 increased by $17.9 million over such expenses for the comparable period for fiscal 1997, and decreased as a percentage of net sales from 33.0% to 32.2%. The decrease in the expense ratio was due primarily to a sales increase in the Company's commercial program, which resulted in favorable commercial payroll leverage, and to efficiencies gained with the closings of two call centers in fiscal 1997. The number of stores participating in the commercial program was 1,275 at February 14, 1998.

The Company's effective income tax rate was 37.6% of pre-tax income for the twelve weeks ended February 14, 1998 and February 15, 1997.

TWENTY-FOUR WEEKS ENDED FEBRUARY 14, 1998, COMPARED TO TWENTY-FOUR WEEKS ENDED FEBRUARY 15, 1997

Net sales for the twenty-four weeks ended February 14, 1998 increased by $175.2 million, or 15.8%, over net sales for the comparable period of fiscal 1997. This increase was due to a comparable store sales increase of 5%, (which was primarily due to the sales growth of the Company's newer stores and the added sales of the Company's commercial program), and increases in net sales for stores opened since the beginning of fiscal 1997.

Gross profit for the twenty-four weeks ended February 14, 1998, was $534.1 million, or 41.7% of net sales, compared with $467.3 million, or 42.2% of net sales, during the comparable period for fiscal 1997. The decrease in the gross profit percentage was due primarily to lower commodities gross margins.

Operating, selling, general and administrative expenses for the twenty-four weeks ended February 14, 1998 increased by $41.3 million over such expenses for the comparable period for fiscal 1997, and decreased as a percentage of net sales from 32.2% to 31.0%. The decrease in the expense ratio was due primarily to a sales increase in the Company's commercial program, which resulted in favorable commercial payroll leverage, and to efficiencies gained with the closing of two call centers in fiscal 1997.

The Company's effective income tax rate was 37.6% of pre-tax income for the twenty-four weeks ended February 14, 1998 and 37.5% for the twenty-four weeks ended February 15, 1997.

LIQUIDITY AND CAPITAL RESOURCES

For the twenty-four weeks ended February 14, 1998, net cash of $48.9 million was provided by the Company's operations versus $24.8 million used by operations for the comparable period of fiscal year 1997. The comparative increase in cash provided by operations is due primarily to improving inventory turnover.

Capital expenditures for the twenty-four weeks ended February 14, 1998 were $125.6 million. The Company anticipates that capital expenditures for fiscal 1998 will be approximately $400 million. Year-to-date, the Company opened 96 net new stores. The Company expects to add approximately 450 new stores including stores acquired through the Auto Palace and TruckPro acquisitions and approximately 17 to 20 replacement stores during fiscal 1998.

The Company anticipates that it will rely on internally generated funds to support a majority of its capital expenditures and working capital requirements; the balance of such requirements, as well as the stock repuchase and acquisitions, will be funded through borrowings. The Company has a five-year revolving credit agreement with a group of banks for $350 million. At February 14, 1998 the Company had borrowings outstanding under this credit agreement of $263.8 million. Additionally, on February 23, 1998 the Company acquired a 364-day credit facility with a group of banks for $150 million.

In January 1998, the Company announced Board approval to purchase up to $100 million of its common stock in the open market.

YEAR 2000 CONVERSION

The Company established a team to coordinate the identification, evaluation, and implementation of changes to computer systems and applications necessary to achieve a year 2000 date conversion with no effect on customers or disruption to business operations. These actions are necessary to ensure that the systems and applications will recognize and process the year 2000 and beyond. Major areas of potential business impact have been identified and conversion efforts are underway. The Company also is communicating with suppliers, dealers, financial institutions and others with which it does business to assess the impact of their year 2000 conversion plans on the Company. The total cost of compliance and its effect on the Company's future results of operations have been estimated as part of the detailed conversion planning. The Company believes the costs of conversion will not be material. The Company could be materially affected by the failure of a number of its vendors to achieve year 2000 date conversion.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this quarterly report on Form 10-Q are forward-looking statements. These statements discuss, among other things, expected growth, store development and expansion strategy, business strategies, future revenues and future performance. The forward-looking statements are subject to risks, uncertainties and assumptions including, but not limited to competitive pressures, demand for the Company's products, the market for auto parts, the economy in general, inflation, consumer debt levels and the weather. Actual results may materially differ from anticipated results described in these forward-looking statements.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

(a) The Annual Meeting of the Shareholders of the Company was held on December 18, 1997.

(b) Not applicable.

(c) 1. Election of Directors. All nominees for director were elected pursuant to the following vote:

	VOTES FOR	VOTES WITHHELD
Johnston C. Adams, Jr.	139,093,584	1,041,128
Andrew M. Clarkson	139,104,265	1,030,447
N. Gerry House	123,114,966	17,019,746
Robert J. Hunt	139,103,108	1,031,604
J. R. Hyde, III	139,108,136	1,026,576
James F. Keegan	139,096,153	1,038,559
Michael W. Michelson	138,961,176	1,173,536
John E. Moll	139,051,369	1,083,343
George R. Roberts	138,957,553	1,177,159
Ronald A. Terry	139,093,249	1,041,463
Timothy D. Vargo	139,108,190	1,026,522

2. Approval of Amended and Restated Employee Stock Purchase Plan: 134,665,744 votes in favor; 2,200,515 votes against; and 268,453 shares abstained from voting.

3. Ratification of Ernst & Young LLP, as the Company's independent auditors: 139,868,092 votes in favor; 90,046 votes against; and 176,574 shares abstained from voting.

(d) Not applicable.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

The following exhibits are filed as part of this report:

3.1 Articles of Incorporation of AutoZone, Inc. incorporated by reference to Exhibit 3.1 to the Form 10-K for the fiscal year ended August 27, 1994.

3.2 Amendment to Articles of Incorporation of AutoZone, Inc., dated December 16, 1993, to increase its authorized shares of common stock to 200,000,000. Incorporated by reference to Exhibit 3.2 to the Form 10-K for the fiscal year ended August 27, 1994.

3.3 By-laws of AutoZone, Inc. Incorporated by reference to Exhibit 3.2 to the Registration Statement filed by the Company under the Securities Act of 1933 (No. 33-45649) (the February 1992 Form S-1).

4.1 Form of Common Stock Certificate. Incorporated by reference to Exhibit 4.1 to Pre-Effective Amendment No. 2 to the February 1992 Form S-1.

10.1 Credit Agreement among AutoZone, Inc., as Borrower, the several lenders from time to time party thereto, NationsBank, N.A., as Agent, and SunTrust Bank, Nashville, N.A. as Co-Agent, dated December 20, 1996. Incorporated herein by reference to the Form 10-Q for the quarter ended February 15, 1997.

10.2 Amendment No. 1 to Credit Agreement dated as of February 10, 1998 among AutoZone, Inc., as Borrower, the several lenders from time to time party thereto, NationsBank, N.A., as Agent, and SunTrust Bank, Nashville, N.A. as Co-Agent.

27.1 Financial Data Schedule. (SEC Use Only)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AUTOZONE, INC.

By: /s/ Robert J. Hunt

Robert J. Hunt
Executive Vice President and
Chief Financial Officer-Customer Satisfaction
(Principal Financial Officer)

By: /s/ Michael E. Butterick

Michael E. Butterick
Vice President, Controller-Customer Satisfaction
(Principal Accounting Officer)

Dated: March 31, 1998

EXHIBIT INDEX

3.1 Articles of Incorporation of AutoZone, Inc. incorporated by reference to Exhibit 3.1 to the Form 10-K for the fiscal year ended August 27, 1994.

3.2 Amendment to Articles of Incorporation of AutoZone, Inc., dated December 16, 1993, to increase its authorized shares of common stock to 200,000,000. Incorporated by reference to Exhibit 3.2 to the Form 10-K for the fiscal year ended August 27, 1994.

3.3 By-laws of AutoZone, Inc. Incorporated by reference to Exhibit 3.2 to the Registration Statement filed by the Company under the Securities Act of 1933 (No. 33-45649) (the February 1992 Form S-1).

4.1 Form of Common Stock Certificate. Incorporated by reference to Exhibit 4.1 to Pre-Effective Amendment No. 2 to the February 1992 Form S-1.

10.1 Credit Agreement among AutoZone, Inc., as Borrower, the several lenders from time to time party thereto, NationsBank, N.A., as Agent, and SunTrust Bank, Nashville, N.A. as Co-Agent, dated December 20, 1996. Incorporated herein by reference to the Form 10-Q for the quarter ended February 15, 1997.

10.2 Amendment No. 1 to Credit Agreement dated as of February 10, 1998 among AutoZone, Inc., as Borrower, the several lenders from time to time party thereto, NationsBank, N.A., as Agent, and SunTrust Bank, Nashville, N.A. as Co-Agent.

27.1 Financial Data Schedule. (SEC Use Only)

EXHIBIT 10.2

AMENDMENT NO. 1 TO CREDIT AGREEMENT

THIS AMENDMENT AGREEMENT (this "AMENDMENT NO. 1"), dated as of February 10, 1998, among AUTOZONE, INC., a Nevada corporation (the "BORROWER"), the various lending institutions parties hereto (each a "Lender" and collectively, the "LENDERS"), and NATIONSBANK, N.A., a national Lending association, as agent for the Lenders (in such capacity, the "AGENT");

W I T N E S S E T H:

WHEREAS, the Borrower, the Lenders, United States National Bank of Oregon ("USNBO") and the Agent entered into that certain Credit Agreement, dated as of December 20, 1996 (the "EXISTING CREDIT AGREEMENT"); and

WHEREAS, the Borrower has elected to exercise its rights pursuant to Section 3.4(b) of the Existing Credit Agreement to increase the Revolving Committed Amount from $275,000,000 to $350,000,000 and the Lenders have agreed to participate in such increase; and

WHEREAS, USNBO has declined to participate in such increase and has requested to have its Loans repaid in full and its Revolving Commitment terminated; and

WHEREAS, immediately prior to the effectiveness of this Amendment No. 1, the Loans of USNBO have been repaid and its Revolving Commitment terminated; and

WHEREAS, the Borrower, the Lenders and the Agent have agreed to execute this Amendment No. 1 for purposes of reflecting the increase in the Revolving Committed Amount from $275,000,000 to $350,000,000 and the repayment of the Loans of USNBO and the termination of the Revolving Commitment of USNBO;

NOW, THEREFORE, in consideration of the agreements herein contained, the parties hereby agree as follows:

PART I
DEFINITIONS

SUBPART 1.1. CERTAIN DEFINITIONS. Unless otherwise defined herein or the context otherwise requires, terms used in this Amendment No. 1, including its preamble and recitals, have the following meanings (such meanings to be equally applicable to the singular and plural forms thereof):

"AMENDED CREDIT AGREEMENT" means the Existing Credit Agreement as amended hereby.

"AMENDMENT NO. 1 EFFECTIVE DATE" is defined in SUBPART 3.1.

SUBPART 1.2. OTHER DEFINITIONS. Unless otherwise defined herein or the context otherwise requires, terms used in this Amendment No. 1, including its preamble and recitals, have the meanings provided in the Amended Credit Agreement.

PART II
AMENDMENTS TO EXISTING CREDIT AGREEMENT

Effective on (and subject to the occurrence of) the Amendment No. 1 Effective Date, the Existing Credit Agreement is hereby amended in accordance with this PART II. Except as so amended, the Existing Credit Agreement, the Notes and the other Credit Documents shall continue in full force and effect.

SUBPART 2.1 AMENDMENTS TO SECTION 1. Section 1 of the Existing Credit Agreement is hereby amended by inserting, in the alphabetically appropriate place, the following definitions:

"AMENDMENT NO. 1" means Amendment No. 1 to Credit Agreement, dated as of February 10, 1998, among the Borrower, the Agent and the Lenders, amending this Credit Agreement as then in effect.

SUBPART 2.2 AMENDMENTS TO SCHEDULE 2.1(A). SCHEDULE 2.1(A) to the

Existing Credit Agreement is deleted and replaced with SCHEDULE 2.1(A) attached hereto.

PART III
CONSENTS AND AGREEMENTS

SUBPART 3.1 SECTION 3.4(B). The Borrower acknowledges and agrees that it shall have no additional rights pursuant to Section 3.4(b) of the Existing Credit Agreement after the effectiveness of this Amendment No. 1. The Borrower and the Lenders agree that the execution of this Amendment No. 1 shall satisfy all of the requirements under Section 3.4(b) (including all notice requirements thereunder).

SUBPART 3.2 USNBO. The Lenders hereby consent to the repayment of the Loans of USNBO and the termination of the Revolving Commitment of USNBO and waive any violations of Sections 3.12 and 3.13 of the Existing Loan Agreement on account of such repayment and termination.

PART IV
CONDITIONS TO EFFECTIVENESS

SUBPART 4.1. AMENDMENT NO. 1 EFFECTIVE DATE. This Amendment shall be and become effective on such date (the "AMENDMENT NO. 1 EFFECTIVE DATE") on or prior to February 10, 1998, when all of the conditions set forth in this SUBPART 4.1 shall have been satisfied, and thereafter, this Amendment No. 1 shall be known, and may be referred to, as "Amendment No. 1."

SUBPART 4.1.1. EXECUTION OF COUNTERPARTS. The Agent shall have received counterparts of this Amendment No. 1, each of which shall have been duly executed on behalf of the Borrower, the Agent and the Lenders.

SUBPART 4.1.2. REVOLVING NOTES AND COMPETITIVE NOTES. The Agent shall have received a replacement Revolving Note and a replacement Competitive Note for each Lender, each of which shall have been duly executed on behalf of the Borrower. The Lenders agree to return their existing Revolving Notes and their existing Competitive Notes promptly after their receipt of the replacement notes therefor.

SUBPART 4.1.3. LEGAL DETAILS, ETC. All documents executed or submitted pursuant hereto shall be reasonably satisfactory in form and substance to the Agent and its counsel. The Agent and its counsel shall have received all information, and such counterpart originals or such certified or other copies of such originals, as the Agent or its counsel may reasonably request, and all legal matters incident to the transactions contemplated by this Amendment No. 1 shall be reasonably satisfactory to the Agent and its counsel.

PART V
MISCELLANEOUS

SUBPART 5.1 CROSS-REFERENCES. References in this Amendment No. 1 to any Part or Subpart are, unless otherwise specified, to such Part or Subpart of this Amendment No. 1.

SUBPART 5.2 INSTRUMENT PURSUANT TO EXISTING CREDIT AGREEMENT. This Amendment No. 1 is a document executed pursuant to the Existing Credit Agreement and shall (unless otherwise expressly indicated therein) be construed, administered and applied in accordance with the terms and provisions of the Existing Credit Agreement.

SUBPART 5.3 CREDIT DOCUMENTS. The Borrower hereby confirms and agrees that the Credit Documents are, and shall continue to be, in full force and effect, and hereby ratifies and confirms in all respects its obligations thereunder, except that, upon the effectiveness of, and on and after the date of, this Amendment No. 1, all references in each Credit Document to the "Credit Agreement", "thereunder", "thereof" or words of like import referring to the Existing Credit Agreement shall mean the Amended Credit Agreement.

SUBPART 5.4 COUNTERPARTS, EFFECTIVENESS, ETC. This Amendment No. 1 may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

SUBPART 5.5 GOVERNING LAW; ENTIRE AGREEMENT. THIS AMENDMENT NO. 1 SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NORTH CAROLINA WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF.

SUBPART 5.6 SUCCESSORS AND ASSIGNS. This Amendment No. 1 shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SUBPART 5.7 REPRESENTATIONS AND WARRANTIES. The Borrower represents and warrants to the Agent and the Lenders that (i) the representations and warranties made in Section 5 of the Existing Credit Agreement are true and correct on and as of the Amendment No. 1 Effective Date as though made on such date and (ii) no Default or Event of Default has occurred and remains uncured as of the Amendment No. 1 Effective Date.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be executed by their respective duly authorized officers as of the day and year first above written.

AUTOZONE, INC.

By /s/ Robert J. Hunt

Title EVP & CFO

By /s/ Harry L. Goldsmith

Title S.V.P.

NATIONSBANK, N.A.,
in its capacity as Agent and
in its individual capacity
as a Lender

By /s/ Mark D. Halmrast

Mark D. Halmrast

Title Vice President

SUNTRUST BANK, NASHVILLE, N.A.,
individually in its capacity as a Lender
and in its capacity as Co-Agent

By /s/ Bryan W. Ford

Bryan W. Ford

Title Vice President

Bank of America NT & SA,
successor by merger to
BANK OF AMERICA ILLINOIS

By /s/ Sandra S. Ober

Sandra S. Ober

Title Managing Director

THE FIRST NATIONAL BANK OF CHICAGO

By /s/ Catherine A. Muszynski

Catherine A. Muszynski

Title Vice President

FIRST UNION NATIONAL BANK OF
TENNESSEE

By /s/ Robert T. Page

Title VP

FIRST TENNESSEE BANK NATIONAL
ASSOCIATION

By /s/ Joseph M. Evangelisti

Title SVP

UNION PLANTERS BANK, N.A.

By /s/ Leonard McKinnon

Title Senior Vice President

SCHEDULE 2.1(A)

LENDERS

LENDER	Commitment PERCENTAGE	Revolving COMMITMENT
NationsBank, N.A. NationsBank Corporate Center NC1007-8-7 Charlotte, NC 28255 Attn: Jeb Ball Tel: (704) 386-9718 Fax: (704) 388-0373	21.4285714%	$75,000,000.00
SunTrust Bank, Nashville, N.A. 6410 Poplar Avenue Suite 320 Memphis, TN 38119 Attn: Bryan W. Ford Tel: (901) 766-7561 Fax: (901) 766-7565	20.0000000%	$70,000,000.00
Bank of America Illinois 231 S. LaSalle Chicago, IL 60697 Attn: Casey Cosgrove Tel: (312) 828-3092 Fax: (312) 828-6269	18.5714286%	$65,000,000.00
The First National Bank of Chicago One First National Plaza Mail Suite 0086 Chicago, IL 60670-0324 Attn: Cathy Muszynski Tel: (312) 732-7634 Fax: (312) 732-1117	14.2857143%	$50,000,000.00
First Union National Bank 150 4th Avenue 2nd Floor Nashville, TN 37219 Attn: Larry Fuschino Tel: (615) 251-0857 Fax: (615) 251-0894	12.8571429%	$45,000,000.00
Union Planters National Bank 6200 Poplar Avenue 4th Floor Memphis, TN 38119 Attn: Leonard McKinnon Tel: (901) 580-5481 Fax: (901) 580-5451	7.1428571%	$25,000,000.00
First Tennessee Bank National Association 165 Madison Avenue, 9th Floor Memphis, TN 38103 Attn: Jim Moore Tel: (901) 523-4108 Fax: (901) 523-4267	5.7142857%	$20,000,000.00
Total:	100%	$350,000,000.00

5

This schedule contains summary financial information extracted from the consolidated financial statements for the quarter ended February 14, 1998, and is qualified in its entirety by reference to such consolidated financial statements.

1,000

3-MOS
AUG-29-1998
FEB-14-1998
4803
0
19703
0
719806
787288
1463404
296475
1980800
533318
0
0
0
1521
1167058
1980800
1282371
1282371
748249
748249
397392
0
5530
131200
49300
0
0
0
0
81900
.54
.53