

WOW!
EVERY CUSTOMER
EVERYWHERE





Forward-Looking Statements

Certain statements contained in this presentation are forward-looking statements. Forward-looking statements typically use words such as “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expect,” “estimate,” “project,” “positioned,” “strategy” and similar expressions. These are based on assumptions and assessments made by our management in light of experience and perception of historical trends, current conditions, expected future developments and other factors that we believe to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties, including without limitation: credit market conditions; the impact of recessionary conditions; competition; product demand; the ability to hire and retain qualified employees; consumer debt levels; inflation; weather; raw material costs of our suppliers; energy prices; war and the prospect of war, including terrorist activity; availability of consumer transportation; construction delays; access to available and feasible financing; and changes in laws or regulations. Certain of these risks are discussed in more detail in the “Risk Factors” section contained in Item 1A under Part 1 of our Annual Report on Form 10-K for the year ended August 30, 2014, and these Risk Factors should be read carefully.



Second Quarter Fiscal 2015 Conference Call

March 3, 2015



The AutoZone Pledge -

AutoZoners always put customers first!

We know our parts and products.

Our stores look great!

We've got the best merchandise at the right price.

Second Quarter FY 2015 P&L

	12 Weeks Ended		12 Weeks Ended		
in millions (excluding EPS and percentages)	2/14/2015		2/15/2014		B/(W)
Net Sales	\$	2,144	\$	1,990	+ 8%
Gross Margin		52.2%		52.1%	+ 15 bps
Operating Expense Ratio		35.4%		35.2%	- 25 bps
Operating Profit (EBIT)	\$	361	\$	337	+ 7%
Operating (EBIT) Margin		16.9%		16.9%	- 10 bps
Interest	\$	35	\$	39	+ 13%
Tax Rate		35.2%		35.3%	
Net Income	\$	212	\$	193	+ 10%
Diluted Shares		32.5		34.3	+ 5%
Diluted EPS	\$	6.51	\$	5.63	+ 16%

YTD Second Quarter FY 2015 P&L

	24 Weeks Ended		24 Weeks Ended		
in millions (excluding EPS and percentages)	2/14/2015		2/15/2014		B/(W)
Net Sales	\$	4,404	\$	4,084	+ 8%
Gross Margin		52.2%		52.0%	+ 17 bps
Operating Expense Ratio		34.7%		34.3%	- 35 bps
Operating Profit (EBIT)	\$	770	\$	721	+ 7%
Operating (EBIT) Margin		17.5%		17.7%	- 18 bps
Interest	\$	72	\$	82	+ 13%
Tax Rate		35.5%		35.7%	
Net Income	\$	450	\$	411	+ 10%
Diluted Shares		32.7		34.5	+ 5%
Diluted EPS	\$	13.78	\$	11.92	+ 16%



Growth Priorities

- **U.S. Retail (DIY)**
- Commercial (DIFM)
- International
- Digital Integration

New Store Highlights

	<u>2nd Quarter</u>	<u>Total Store Count</u>
Beginning Domestic AutoZone Stores:		5,006
New	37	
Relocated	1	
Closed	1	
Ending Domestic AutoZone Stores:		5,042
Domestic stores square footage (000's)		32,841
New Mexico stores	5	
Ending Mexico Stores		411
New Brazil store	0	
Ending Brazil Stores		5
Total AutoZone stores		5,458
Square footage (000's)		35,891
Square footage per store		6,576
New IMC branches	1	
Total IMC branches		18



Growth Priorities

- U.S. Retail (DIY)
- **Commercial (DIFM)**
- International
- Digital Integration



Q2 Commercial Highlights

	# of Commercial <u>Programs</u>	
Total Commercial Programs	3,935	
% increase in programs vs. LY	8.7%	
	<u>2nd</u>	<u>Trailing</u>
	<u>Quarter</u>	<u>Four Quarters</u>
Domestic Commercial Sales:	\$372.2	\$1,706.1
(\$ millions) (Excludes IMC)		
% increase in sales	14.5%	11.0%

Q2 FY 2015 Total Cash Flow

(\$ Millions)	12 weeks ended <u>2/14/2015</u>	12 weeks ended <u>2/15/2014</u>	24 weeks ended <u>2/14/2015</u>	24 weeks ended <u>2/15/2014</u>
Net increase/(decrease) in cash and cash equivalents	\$ 34	\$ 14	\$ 27	\$ (2)
Subtract increase/(decrease) in debt	26	148	105	135
Add back share repurchases	<u>26</u>	<u>200</u>	<u>326</u>	<u>492</u>
Cash flow before share repurchases & changes in debt	<u>\$ 34</u>	<u>\$ 66</u>	<u>\$ 248</u>	<u>\$ 354</u>
Ending debt	<u>\$ 4,448</u>	<u>\$ 4,322</u>	<u>\$ 4,448</u>	<u>\$ 4,322</u>

Balance Sheet Highlights

(\$ Millions)	<u>2/14/2015</u>	<u>2/15/2014</u>	<u>H/(L)</u>
Inventory	\$ 3,457	\$ 3,089	+ 12%
Inventory/location	\$ 631	\$ 589	+ 7%
Inventory, net of payables	\$ (260)	\$ (388)	
Inv., net of payables/location	\$ (47)	\$ (74)	
Inventory turns	1.5x	1.6x	
Working capital	\$ (709)	\$ (861)	
Net fixed assets	\$ 3,376	\$ 3,135	+ 8%
Debt	\$ 4,448	\$ 4,322	+ 3%
Stockholders' (Deficit)	\$ (1,469)	\$ (1,710)	

Strong Financial Disciplines

'WOW! Every Customer Everywhere'
Continued EPS growth

- Grow Retail Sales
 - Refinement of parts coverage
 - Test and deploy inventory more effectively across network
 - Invest in AutoZoner training and retention
 - Make sure our stores look great
 - Make sure we put our customers first in everything we do
 - Customer service will continue to be our key point of differentiation
- Grow Commercial Sales
 - Currently, small % of AutoZone Commercial sales & 2.7%* market share
 - Continue focus on building best-in-class B2B sales organization
 - Focused on profitable growth
- Prudently paced International growth
- Relentless focus on managing costs

*Based on AAIA 2015 Factbook Commercial Industry estimated 2015 size of \$62.950

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