

FORM 8-K

Current Report Pursuant
to Section 13 or 15(d) of the
Securities Exchange Act of 1934

September 25, 2001
Date of Report
(Date of earliest event reported)

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

Nevada
(State or other jurisdiction of
incorporation or organization)

1-10714
(Commission File Number)

62-1482048
(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.

Item 5. Other Events

On September 25, 2001, the company made the announcements contained in the press release filed as Exhibit 99.1 to this Current Report.

Item 7. Financial Statements and Exhibits

- (c) Exhibits
99.1 Press Release dated September 25, 2001.

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

EXHIBIT INDEX

99.1 Press Release dated September 25, 2001

News:

For immediate release

Contact: Emma Jo Kauffman
(901) 495-7005

**AUTOZONE REPORTS FOURTH QUARTER EARNINGS OF \$1.07 PER SHARE BEFORE NON-RECURRING CHARGES, UP 27%;
SAME STORE SALES UP 8%;
INCREASES SHARE BUYBACK AUTHORIZATION**

Memphis, Tenn. (September 25, 2001) -- AutoZone, Inc. (NYSE: AZO), today reported fourth quarter earnings per share of \$1.07, before non-recurring charges, a 27% increase from earnings per share of \$0.84 in the fourth quarter of fiscal 2000. Sales for the fourth fiscal quarter (16 weeks) ended August 25, 2001, increased 10% to \$1.64 billion from \$1.49 billion reported for the year ago quarter. Same store sales, or sales for domestic auto parts stores open at least one year, increased 8% during the quarter.

AutoZone recorded total non-recurring charges in the fourth quarter of \$92.6 million, after tax, or \$0.83 per share. These charges include \$68.4 million relating to asset write-downs (including the anticipated loss on the sale of TruckPro) and the accrual of lease obligations, primarily related to store closings and projects under development that do not meet AutoZone's financial return criteria. An additional \$5.8 million includes the accrual of severance agreements and costs related to the termination of various contracts. Cost of goods sold includes non-recurring charges of \$18.4 million, net of tax, relating to excess or discontinued merchandise.

For the year, AutoZone reported diluted earnings per share of \$2.38, before non-recurring charges, an increase of 19% from \$2.00 in fiscal 2000. For the year, total non-recurring charges were \$95.8 million, or \$0.84 per share. Annual sales rose 7% to \$4.82 billion from \$4.48 billion in the prior year, while same store sales increased 4%.

"We are very pleased with the progress we made in the second half of our fiscal year," said Steve Odland, chairman, president, and chief executive officer. "But this is just the beginning of what we can do. We intend to continue to build shareholder value over time through same store sales growth, tight expense controls, and effective capital management."

For the year, AutoZone opened 107 new auto parts stores in the U.S., replaced 16 and closed three. In addition, eight new auto parts stores were opened in Mexico. The fourth quarter non-recurring charge includes an adjustment related to 35 stores the company has closed in the first quarter of fiscal 2002.

In addition, AutoZone's board of directors authorized the repurchase of an additional \$250 million of the company's common stock. The company has nearly completed the repurchase of its previous authorization of \$1.45 billion. As of the end of the fourth quarter, aggregate share repurchases were \$1.37 billion or 51.1 million shares, including \$131 million or 3.9 million shares under forward purchase contracts.

AutoZone will host a one-hour conference call Wednesday, September 26, 2001, beginning at 9 a.m. (EDT) to discuss this press release and the outlook for fiscal 2002. Investors may listen to the conference call live and review supporting slides on the AutoZone website, www.AutoZone.com, by clicking "About Us," "Investor Relations," "Conference Calls," or by going directly to <http://www.AutoZone.com/Investors>. The call will also be available by dialing (712) 271-3887. A replay of the call and slides will be available on AutoZone's website. In addition, a replay of the call will be available by dialing (402) 998-1504 through Wednesday October 3, 2001.

As of August 25, 2001, AutoZone sells auto and light truck parts, chemicals and accessories through 3,019 AutoZone stores in 42 states plus the District of Columbia in the U.S. and 21 AutoZone stores in Mexico, and automotive diagnostic and repair software through ALLDATA, diagnostic and repair information through alldatadiy.com, and auto and light truck parts through AutoZone.com.

Certain statements contained in this press release are forward-looking statements. These statements discuss, among other things, business strategies and future performance. These forward-looking statements are subject to risks, uncertainties and assumptions, including, without limitation, accuracy of estimates, competition, product demand, the economy, inflation, the ability to hire and retain qualified employees, consumer debt levels, war and the prospect of war, including terrorist activity, and availability of commercial transportation. Actual results may materially differ from anticipated results. AutoZone undertakes no obligation to publicly release any revisions to any forward-looking statements contained in this press release to reflect events or circumstances occurring after the date of this release or to reflect the occurrence of unanticipated events.

Condensed Consolidated Statements

(in thousands, except per share data and selected operating data)

| | 16 Weeks Ended <u>August 25, 2001</u> | 16 Weeks Ended <u>August 26, 2000</u> | 52 Weeks Ended <u>August 25, 2001</u> | 52 Weeks Ended <u>August 26, 2000</u> |
|---------------------------------------|--|--|--|--|
| Net Sales | \$1,640,663 | \$1,492,645 | \$4,818,185 | \$4,482,696 |
| Cost of goods sold* | <u>952,850</u> | <u>872,196</u> | <u>\$2,804,896</u> | <u>2,602,386</u> |
| Gross profit | 687,813 | 620,449 | 2,013,289 | 1,880,310 |
| Operating expenses | 494,547 | 420,874 | 1,498,909 | 1,368,290 |
| Restructuring and impairment charges | <u>121,489</u> | <u>-----</u> | <u>126,689</u> | <u>-----</u> |
| Operating profit | 71,777 | 199,575 | 387,691 | 512,020 |
| Interest expense, net | <u>28,300</u> | <u>28,355</u> | <u>100,665</u> | <u>76,830</u> |
| Income before taxes | 43,477 | 171,220 | 287,026 | 435,190 |
| Taxes | <u>17,000</u> | <u>66,000</u> | <u>111,500</u> | <u>167,600</u> |
| Net income | \$26,477 ===== | \$105,220 ===== | \$175,526 ===== | \$267,590 ===== |
| Net income per share: | | | | |
| Basic | \$0.24 | \$0.85 | \$1.56 | \$2.01 |
| Basic, before restructuring charges | \$1.09 | \$0.85 | \$2.40 | \$2.01 |
| Diluted | \$0.24 | \$0.84 | \$1.54 | \$2.00 |
| Diluted, before restructuring charges | \$1.07 | \$0.84 | \$2.38 | \$2.00 |
| Shares outstanding: | | | | |
| Basic | 109,468 | 124,095 | 112,834 | 132,945 |
| Diluted | 111,415 | 124,900 | 113,801 | 133,869 |

* COGS includes \$30.133 million of restructuring charges in the fourth quarter.

Selected Balance Sheet Information

| | <u>August 25, 2001</u> | <u>August 26, 2000</u> |
|-------------------------------------|-------------------------------|-------------------------------|
| Merchandise inventories | \$1,242,896 | \$1,108,978 |
| Current assets | 1,328,511 | 1,186,780 |
| Property, plant & equipment, net | 1,710,443 | 1,758,440 |
| Total assets | 3,432,512 | 3,333,218 |
| Accounts payable | 945,666 | 788,825 |
| Current liabilities | 1,266,654 | 1,034,544 |
| Stockholder's equity | 866,213 | 992,179 |
| Debt | 1,225,402 | 1,249,937 |
| Working Capital | 61,857 | 152,236 |

Selected Cash Flow Information

| | 16 Weeks Ended <u>August 25, 2001</u> | 16 Weeks Ended <u>August 26, 2000</u> | 52 Weeks Ended <u>August 25, 2001</u> | 52 Weeks Ended <u>August 26, 2000</u> |
|------------------------------|--|--|--|--|
| Capital Spending | \$31,991 | \$69,513 | \$169,296 | \$249,657 |
| Share repurchases | \$104,507 | \$263,417 | \$366,097 | \$639,925 |
| Depreciation & ammortization | \$39,639 | \$38,719 | \$131,333 | \$126,800 |

AutoZone's 4th Quarter - Fiscal 2001

Selected Operating Highlights

Store Count & Square Footage:

| | 16 Weeks Ended <u>August 25, 2001</u> | 16 Weeks Ended <u>August 26, 2000</u> | 52 Weeks Ended <u>August 25, 2001</u> | 52 Weeks Ended <u>August 26, 2000</u> |
|-------------------------------------|--|--|--|--|
| Domestic auto parts stores: | | | | |
| Store count: | | | | |
| Stores opened | 25 | 63 | 107 | 208 |
| Stores closed | ---- | 2 | 3 | 4 |
| Replacement stores | <u>3</u> | <u>11</u> | 16 | 30 |
| Total domestic auto part stores | 3,019 | 2,915 | | |
| | | | | |
| Square footage | 19,377 | 18,719 | | |
| | | | | |
| Auto parts stores in Mexico: | | | | |
| Stores opened | <u>5</u> | ---- | 8 | 7 |

Total auto parts stores in Mexico

21

13

TruckPro stores:

| | | | | |
|-----------------------|------|----------|------|---|
| Stores opened | ---- | 1 | ---- | 3 |
| Replacement stores | ---- | <u>1</u> | ---- | 5 |
| Total TruckPro stores | 49 | 49 | | |

**Sales & Inventory Statistics:
(Domestic auto parts)**

| | <u>16 Weeks Ended August 25, 2001</u> | <u>16 Weeks Ended August 26, 2000</u> | <u>52 Weeks Ended August 25, 2001</u> | <u>52 Weeks Ended August 26, 2000</u> |
|--|---|---|---|---|
| Sales per average store (\$ in thousands) | \$519 | \$493 | \$1,543 | \$1,517 |
| Sales per average sq foot | \$81 | \$77 | \$240 | \$236 |
| Same store sales -- rolling 13 periods | | | | |
| Total | 8% | 3% | 4% | 5% |
| Organic vs acquired: | | | | |
| Organic stores | 6% | 0% | 3% | 2% |
| Acquired | 14% | 22% | 13% | 27% |
| Retail vs commercial: | | | | |
| Retail | 7% | 3% | 4% | 4% |
| Commerical | 12% | 7% | 11% | 8% |
| Inventory turns: | | | | |
| Based on average inventories | 2.4 X | 2.3 X | | |
| Based on ending inventories | 2.2 X | 2.3 X | | |
| Accounts payable/inventory (total) | 76% | 71% | | |

AutoZone's 4th Quarter - Fiscal 2001

Condensed Consolidated Statements - Before Restructuring Charges

(in thousands, except per share data and selected operating data)

| | <u>16 Weeks Ended August 25, 2001</u> | <u>16 Weeks Ended August 26, 2000</u> | <u>52 Weeks Ended August 25, 2001</u> | <u>52 Weeks Ended August 26, 2000</u> |
|-----------------------|---|---|---|---|
| Net Sales | \$1,640,663 | \$1,492,645 | \$4,818,185 | \$4,482,696 |
| Cost of goods sold | <u>922,717</u> | <u>872,196</u> | <u>\$2,774,763</u> | <u>2,602,386</u> |
| Gross profit | 717,946 | 620,449 | 2,043,422 | 1,880,310 |
| Operating expenses | 494,547 | 420,874 | 1,498,909 | 1,368,290 |
| Operating profit | 223,399 | 199,575 | 544,513 | 512,020 |
| Interest expense, net | <u>28,300</u> | <u>28,355</u> | <u>100,665</u> | <u>76,830</u> |
| Income before taxes | 195,099 | 171,220 | 443,848 | 435,190 |
| Taxes | <u>76,000</u> | <u>66,000</u> | <u>172,500</u> | <u>167,600</u> |
| Net income | \$119,099 | \$105,220 | \$271,348 | \$267,590 |
| | ===== | ===== | ===== | ===== |
| Net income per share: | | | | |
| Basic | \$1.09 | \$0.85 | \$2.40 | \$2.01 |
| Diluted | \$1.07 | \$0.84 | \$2.38 | \$2.00 |
| Shares outstanding: | | | | |
| Basic | 109,468 | 124,095 | 112,834 | 132,945 |
| Diluted | 111,415 | 124,900 | 113,801 | 133,869 |

Selected Balance Sheet Information - Before Restructuring Charges

| | <u>August 25, 2001</u> | <u>August 26, 2000</u> |
|-------------------------------------|------------------------|------------------------|
| Merchandise inventories | \$1,273,142 | \$1,108,978 |
| Current assets | 1,362,255 | 1,186,780 |
| Property, plant & equipment, net | 1,764,691 | 1,758,440 |
| Total assets | 3,471,971 | 3,333,218 |
| Accounts payable | 945,666 | 788,825 |
| Current liabilities | 1,233,143 | 1,034,544 |
| Stockholder's equity | 962,032 | 992,179 |
| Debt | 1,225,402 | 1,249,937 |

