

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

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

May 23, 2001
Date of Report
(Date of earliest event reported)

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

| | | |
|---|--------------------------|---|
| Nevada | 1-10714 | 62-1482048 |
| (State or other jurisdiction of incorporation or organization) | (Commission File Number) | (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 May 23, 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 May 23, 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/ Harry L. Goldsmith

Harry L. Goldsmith
Senior Vice President and
Secretary-Customer Satisfaction

Dated: May 25, 2001

EXHIBIT INDEX



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AUTOZONE REPORTS THIRD QUARTER RESULTS; ANNOUNCES MANAGEMENT CHANGES

Memphis, Tenn. (May 23, 2001) -- AutoZone, Inc. (NYSE: AZO), today reported diluted earnings per share of \$0.56 for its third fiscal quarter (12 weeks) ended May 5, 2001, an increase of 12% from \$0.50 reported for the year ago quarter. Sales were \$1.140 billion for the quarter, an increase of 8% from \$1.059 billion in fiscal 2000. Same store sales, or sales for domestic auto parts stores open at least one year, increased 5% during the quarter, including 4% for retail sales and 11% for commercial sales. Earnings before interest and taxes of \$127.9 million increased 1% from \$126.7 million last year. Net income for the quarter decreased 6% to \$63.5 million from \$67.3 million in the prior year. Operating expenses for the quarter include a charge of \$5.2 million relating to real estate sites dropped as a result of the previously announced decrease in planned new store openings. Management expects to complete a review of all under-performing assets prior to the end of the fiscal year.

On a year-to-date basis, diluted earnings per share for the 36-week period increased 10% to \$1.30 from \$1.18 in fiscal 2000. Year-to-date sales rose 6% to \$3.178 billion from \$2.990 billion in the prior year. Year-to-date same store sales increased 3%, including 2% for retail sales and 11% for commercial sales. Year-to-date earnings before interest and taxes of \$315.9 million increased 1% from \$312.4 million last year. Year-to-date net income of \$149.0 million decreased 8% from \$162.4 in fiscal 2000.

During the quarter, AutoZone opened 23 new auto parts stores in the U.S., replaced five and closed one. In addition, three new auto parts stores were opened in Mexico. Year-to-date, AutoZone has opened 82 new, replaced 13, and closed three auto parts stores in the U.S., and opened three stores in Mexico.

Aggregate share repurchases under the currently authorized \$1.350 billion share repurchase program are \$1.263 billion or 43.0 million shares at the end of the third quarter, including \$130.8 million or 5.8 million shares under forward purchase contracts.

"We are encouraged by the results of the third quarter," said Steve Odland, chairman and chief executive officer. "In addition to strength in the industry, we are pleased with the impact of our recent marketing and merchandising initiatives, which led to very strong performance in the last half of the quarter."

Separately, Timothy D. Vargo, announced his intention to step down from his daily responsibilities as president and chief operating officer and as a director in order to more closely attend to health matters in his family. Mr. Vargo will continue his involvement with AutoZone at a less time-consuming level. Mr. Odland will assume the title and responsibilities of president.

Robert J. Hunt, executive vice president and chief financial officer, has also announced his intention to retire from the day-to-day duties of CFO. Mr. Hunt has stepped down as a director, but will remain as CFO until a successor is named. He will then continue to assist the company in other capacities.

"I have enjoyed working with Tim Vargo and Bob Hunt, so this is very difficult," said Steve Odland. "Both Tim and Bob have asked to step away from their daily responsibilities, but the timing is a coincidence. Each of them has different personal or family reasons for requesting a decrease in their daily work demands. Tim and Bob have made great contributions to AutoZone, and I am very pleased that both of them will continue as AutoZoners, allowing us the ongoing benefit of their wisdom and experience."

"For now, the senior vice presidents responsible for store operations, supply chain, and merchandising will report to me. I am confident in the strong management team that Tim has built and I look forward to the opportunity to engage even more directly in the business."

AutoZone will host a one-hour conference call Thursday, May 24, 2001, beginning at 9 a.m. (EDT), to discuss this press release. 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 (312) 470-0014. 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) 998-1196 through Thursday, May 31, 2001, at 4 p.m. (EDT).

As of May 5, 2001, AutoZone sells auto and light truck parts, chemicals and accessories through 2,994 AutoZone stores in 42 states plus the District of Columbia in the U.S. and 16 AutoZone stores in Mexico. AutoZone also sells heavy-duty truck parts through 49 TruckPro stores in 15 states, and automotive diagnostic and repair software through ALLDATA, diagnostic and repair information through alldatadiy.com, and auto and light truck parts through AutoZone.com.

AutoZone's 3rd Quarter Highlights- Fiscal 2001

Condensed Consolidated Statement of Operations

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

| | 12 Weeks Ended <u>May 5, 2001</u> | 12 Weeks Ended <u>May 6, 2000</u> | 36 Weeks Ended <u>May 5, 2001</u> | 36 Weeks Ended <u>May 6, 2000</u> |
|-----------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Net Sales | \$1,139,957 | \$1,059,415 | \$3,177,522 | \$2,990,051 |
| Cost of goods sold | <u>657,379</u> | <u>609,497</u> | <u>1,852,046</u> | <u>1,730,190</u> |
| Gross profit | 482,578 | 449,918 | 1,325,476 | 1,259,861 |
| Operating expenses | <u>354,712</u> | <u>323,234</u> | <u>1,009,562</u> | <u>947,416</u> |
| Operating profit | 127,866 | 126,684 | 315,914 | 312,445 |
| Interest expense, net | <u>23,841</u> | <u>17,419</u> | <u>72,365</u> | <u>48,475</u> |
| Income before taxes | 104,025 | 109,265 | 243,549 | 263,970 |
| Taxes | <u>40,500</u> | <u>42,000</u> | <u>94,500</u> | <u>101,600</u> |
| Net income | \$63,525 ===== | \$67,265 ===== | \$149,049 ===== | \$162,370 ===== |
| Net income per share: | | | | |
| Basic | \$0.57 | \$0.50 | \$1.30 | \$1.19 |
| Diluted | \$0.56 | \$0.50 | \$1.30 | \$1.18 |
| Shares outstanding: | | | | |
| Basic | 112,364 | 133,322 | 114,330 | 136,880 |
| Diluted | 113,037 | 134,424 | 114,861 | 137,855 |

Selected Consolidated Balance Sheet Information

(in thousands)

| | <u>May 5, 2001</u> | <u>May 6, 2000</u> | <u>August 26, 2000</u> |
|-------------------------------------|--------------------|--------------------|------------------------|
| Merchandise inventories | \$1,214,942 | \$1,133,182 | \$1,108,978 |
| Current assets | 1,293,616 | 1,208,339 | 1,186,780 |
| Property, plant & equipment, net | 1,770,310 | 1,720,274 | 1,758,440 |
| Total assets | 3,447,166 | 3,342,809 | 3,333,218 |
| Accounts payable | 782,007 | 659,019 | 788,825 |
| Current liabilities | 1,111,820 | 919,170 | 1,034,544 |
| Stockholder's equity | 889,646 | 1,145,572 | 992,179 |
| Debt | 1,392,729 | 1,215,411 | 1,249,937 |

Selected Consolidated Cash Flow Information

(in thousands)

| | 12 Weeks Ended <u>May 5, 2001</u> | 12 Weeks Ended <u>May 6, 2000</u> | 36 Weeks Ended <u>May 5, 2001</u> | 36 Weeks Ended <u>May 6, 2000</u> |
|------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Capital Spending | \$44,234 | \$54,136 | \$137,305 | \$180,144 |
| Depreciation & ammortization | \$30,451 | \$27,125 | \$91,694 | \$88,081 |

Other Selected Financial Information

(in thousands)

| | <u>May 5, 2001</u> | <u>May 6, 2000</u> | <u>August 26, 2000</u> |
|------------------------------|--------------------|--------------------|------------------------|
| Working Capital | \$ 181,796 | \$ 289,169 | \$ 152,236 |
| Cumulative share repurchases | | | |
| On balance sheet | \$ 1,132,504 | \$ 607,390 | \$ 870,915 |
| Forward contracts | <u>\$ 130,765</u> | <u>\$ 300,144</u> | <u>\$ 280,465</u> |
| Total | \$ 1,263,269 | \$ 907,534 | \$ 1,151,380 |

AutoZone's 3rd Quarter Fiscal 2001

Selected Operating Highlights

Store Count & Square Footage

| | 12 Weeks Ended <u>May 5, 2001</u> | 12 Weeks Ended <u>May 6, 2000</u> | 36 Weeks Ended <u>May 5, 2001</u> | 36 Weeks Ended <u>May 6, 2000</u> |
|-----------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Domestic auto parts stores: | | | | |
| Store count: | | | | |
| Stores opened | <u>23</u> | 17 | 82 | 145 |

| | | | | |
|---------------------------------|----------|----------|-----------|-----------|
| Stores closed | 1 | - | 3 | 2 |
| Replacement stores | <u>5</u> | <u>3</u> | <u>13</u> | <u>19</u> |
| Total domestic auto part stores | 2,994 | 2,854 | 2,994 | 2,854 |

| | | | | |
|---|--------|--------|--------|--------|
| Square footage (in thousands) | 19,223 | 18,269 | 19,223 | 18,269 |
|---|--------|--------|--------|--------|

Auto parts stores in Mexico:

| | | | | |
|-----------------------------------|----|----|----|----|
| Stores opened | 3 | 2 | 3 | 7 |
| Total auto parts stores in Mexico | 16 | 13 | 16 | 13 |

TruckPro stores:

| | | | | |
|-----------------------|------|----|------|----|
| Stores opened | ---- | 1 | ---- | 2 |
| Replacement stores | ---- | 1 | ---- | 4 |
| Total TruckPro stores | 49 | 48 | 49 | 48 |

Sales & Inventory Statistics (Domestic auto parts):

| | 12 Weeks Ended <u>May 5, 2001</u> | 12 Weeks Ended <u>May 6, 2000</u> | 36 Weeks Ended <u>May 5, 2001</u> | 36 Weeks Ended <u>May 6, 2000</u> |
|--|--|--|--|--|
| Sales per average store (\$ in thousands) | \$362 | \$354 | \$1,021 | \$1,023 |
| Sales per average sq foot | \$57 | \$55 | \$159 | \$160 |
| Same store sales - rolling 13 periods | | | | |
| Domestic auto parts -total | 5% | 6% | 3% | 6% |
| Organic | 3% | 2% | 1% | 2% |
| Acquired | 13% | 33% | 12% | 30% |
| Retail | 4% | 5% | 2% | 5% |
| Commerical | 11% | 8% | 11% | 9% |
| Annual inventory turns: | | | | |
| Based on average inventories | 2.3 X | 2.2 X | | |
| Based on ending inventories | 2.2 X | 2.2 X | | |
| Accounts payable/ in- ventory (total company) | 64% | 58% | | |