

**UNITED STATES
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**

Date of Report (Date of earliest event reported) **September 18, 2007**

AutoZone, Inc.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

1-10714
(Commission File Number)

62-1482048
(IRS Employer Identification No.)

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

38103
(Zip Code)

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

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On September 18, 2007, AutoZone, Inc. issued a press release announcing its earnings for the fiscal quarter and fiscal year ended August 25, 2007, which is furnished as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

The following exhibit is furnished with this Current Report pursuant to Item 2.02:

(d) Exhibits

99.1 Press Release dated September 18, 2007.

SIGNATURE

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

AutoZone, Inc.

(Registrant)

September 18, 2007

/s/ WILLIAM T. GILES

(Date)

William T. Giles
*Chief Financial Officer, Executive Vice President Information Technology
and Store Development*

Exhibit Index

99.1 Press release dated September 18, 2007

AutoZone 4th Quarter Sales Increase 3.3 Percent; EPS Increases 10.6 Percent

MEMPHIS, Tenn., Sept. 18, 2007 (PRIME NEWSWIRE) -- AutoZone, Inc. (NYSE:AZO) today reported net sales of \$2.0 billion for its fourth quarter (16 weeks) ended August 25, 2007, an increase of 3.3% from fiscal fourth quarter 2006. Domestic same store sales, or sales for stores open at least one year, decreased 0.2% for the quarter.

Net income for the quarter increased 1.7% over the same period last year to \$217.2 million, while diluted earnings per share increased 10.6% to \$3.23 per share from \$2.92 per share in the year-ago quarter.

For the quarter, gross profit, as a percentage of sales, was 50.1% (versus 49.7% last year). The improvement in gross margin was due to ongoing category management efforts as well as supply chain efficiencies. Additionally, operating expenses, as a percentage of sales, were 31.3% (versus 30.4% last year). The increase in operating expenses, as a percentage of sales, primarily reflected higher occupancy costs versus last year.

For the fiscal year ended August 25, 2007, sales were \$6.2 billion, an increase of 3.7% from the prior year, while domestic same store sales were up 0.1%. Operating profit increased 4.5% on an operating margin of 17.1%. For fiscal 2007, net income increased 4.6% to \$596 million, while diluted earnings per share for the period increased 13.6% to \$8.53 from \$7.50.

Under its share repurchase program, AutoZone repurchased 2.3 million shares of its common stock for \$297.4 million during the fourth quarter, at an average price of \$132 per share. For the fiscal year, the Company repurchased 6.0 million shares of its common stock for \$761.9 million, at an average price of \$126 per share.

The Company's adjusted inventory per store, which includes supplier owned pay-on-scan inventory, as of August 25, 2007, was \$500 thousand versus \$501 thousand last year. Net inventory, defined as merchandise inventories less accounts payable, decreased on a per store level to \$34 thousand from \$38 thousand last year.

"We are pleased to report record sales and earnings for our fourth quarter. While we experienced less sales traction from our ongoing initiatives than we had expected, our marketing research continues to tell us our service levels are improving, and that our customers are more inclined to return to our stores for their next purchase. As we begin our new fiscal year, we believe we are well positioned to generate increased sales growth for both our Retail and Commercial businesses. As our operating model continues to be strong, we will maintain our disciplined approach to growing operating earnings and utilizing our capital effectively," said Bill Rhodes, Chairman, President and Chief Executive Officer.

During the quarter ended August 25, 2007, AutoZone opened 53 new stores, replaced three stores, and closed one store in the U.S. and opened 13 stores in Mexico. As of August 25, 2007, the Company had 3,933 stores in 48 states plus the District of Columbia and Puerto Rico in the U.S. and 123 stores in Mexico.

AutoZone is the leading retailer and a leading distributor of automotive replacement parts and accessories in the United States. Each store carries an extensive product line for cars, sport utility vehicles, vans and light trucks, including new and remanufactured automotive hard parts, maintenance items, accessories, and non-automotive products. Many stores also have a commercial sales program that provides commercial credit and prompt delivery of parts and other products to local, regional and national repair garages, dealers, and service stations. AutoZone also sells the ALLDATA brand diagnostic and repair software. On the web, AutoZone sells diagnostic and repair information, and auto and light truck parts through www.autozone.com. AutoZone does not derive revenue from automotive repair or installation.

AutoZone will host a conference call this morning, Tuesday, September 18, 2007, beginning at 10:00 a.m. (EDT) to discuss the fourth quarter results. Investors may listen to the conference call live and review supporting slides on the AutoZone corporate website, www.autozoneinc.com by clicking "Investor Relations," "Conference Calls." The call will also be available by dialing (210) 839-8923. 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 (203) 369-1211 through Tuesday, September 25, 2007 at 11:59 p.m. (EDT).

This release includes certain financial information not derived in accordance with generally accepted accounting principles ("GAAP"). These non-GAAP measures include adjusted inventory, adjusted inventory per store, adjusted debt, and adjusted debt/EBITDAR. The Company believes that the presentation of these non-GAAP measures provides information that is useful to investors as it indicates more clearly the Company's comparative year-to-year operating results, but this information should not be considered a substitute for any measures derived in accordance with GAAP. Management targets the Company's debt levels to a ratio of adjusted debt to EBITDAR and manages cash flows available for share repurchase by monitoring cash flows before share repurchases, as shown on the attached tables. The Company believes this is important information for the management of its debt levels and share repurchases. We have included a reconciliation of this information to the most comparable GAAP measures in the accompanying reconciliation tables.

Certain statements contained in this press release 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: competition; product demand; the economy; credit markets; 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. Forward-looking statements are not guarantees of future performance and actual results; developments and business decisions may differ from those contemplated by such forward-looking statements, and such events could materially and adversely affect our business. Forward-looking statements speak only as of the date made. Except as required by applicable law, we undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results may materially differ from anticipated results. Please refer to the Risk Factors section of AutoZone's Form 10-K for the fiscal year ended August 26, 2006, for more information related to those risks.

AutoZone's 4th Quarter Highlights - Fiscal 2007

Condensed Consolidated Statements of Operations
4th Quarter
(in thousands, except per share data)

	GAAP Results	
	16 Weeks Ended August 25, 2007	16 Weeks Ended August 26, 2006
Net sales	\$ 2,002,707	\$ 1,939,031
Cost of sales	998,363	976,270
Gross profit	1,004,344	962,761
Operating, SG&A expenses	625,975	589,643
Operating profit (EBIT)	378,369	373,118
Interest expense, net	38,090	34,896
Income before taxes	340,279	338,222
Income taxes	123,104	124,771
Net income	\$ 217,175	\$ 213,451
Net income per share:		
Basic	\$ 3.26	\$ 2.94
Diluted	\$ 3.23	\$ 2.92
Weighted average shares outstanding:		
Basic	66,554	72,561
Diluted	67,287	73,133

Fiscal 2007
(in thousands, except per share data)

	GAAP Results	
	52 Weeks Ended August 25, 2007	52 Weeks Ended August 26, 2006
Net sales	\$ 6,169,804	\$ 5,948,355
Cost of sales	3,105,554	3,009,835
Gross profit	3,064,250	2,938,520
Operating, SG&A expenses	2,008,984	1,928,595
Operating profit (EBIT)	1,055,266	1,009,925
Interest expense, net	119,116	107,889
Income before taxes	936,150	902,036
Income taxes	340,478	332,761
Net income	\$ 595,672	\$ 569,275
Net income per share:		
Basic	\$ 8.62	\$ 7.57
Diluted	* \$ 8.53	\$ 7.50
Weighted Average Shares outstanding:		
Basic	69,101	75,237
Diluted	69,844	75,859

Selected Balance Sheet Information
(in thousands)

August 25, 2007 August 26, 2006

Merchandise inventories	\$ 2,007,430	\$ 1,846,650
Current assets	2,270,455	2,118,927
Property and equipment, net	2,177,842	2,051,308
Total assets	4,804,709	4,526,306
Accounts payable	1,870,668	1,699,667
Current liabilities	2,285,894	2,054,568
Debt	1,935,618	1,857,157
Stockholders' equity	403,200	469,528
Working capital	(15,439)	64,359

Adjusted Debt / EBITDAR
(Trailing 4 Qtrs)

	August 25, 2007	August 26, 2006
Net income	\$ 595,672	\$ 569,275
Add: Interest	119,116	107,889
Taxes	340,478	332,761
EBIT	1,055,266	1,009,925
Add: Depreciation	159,411	139,465
Rent expense	152,523	143,888
Option expense	18,462	17,370
EBITDAR	\$ 1,385,662	\$ 1,310,648
Debt	\$ 1,935,618	\$ 1,857,157
Capital lease obligations*	55,088	--
Add : rent x 6	915,138	863,328
Adjusted debt	\$ 2,905,844	\$ 2,720,485
Adjusted debt to EBITDAR	2.1	2.1

* At the beginning of fiscal 2007, the Company converted the majority of its vehicles accounted for as operating leases to capital leases.

Selected Cash Flow Information
(in thousands)

	16 Weeks Ended August 25, 2007	16 Weeks Ended August 26, 2006	52 Weeks Ended August 25, 2007	52 Weeks Ended August 26, 2006
Depreciation	\$ 50,806	\$ 44,865	\$ 159,411	\$ 139,465
Capital spending	\$ 66,714	\$ 81,412	\$ 224,474	\$ 263,580
Cash flow before share repurchases:				
Net increase (decrease) in cash and cash equivalent	\$ 4,081	\$ 7,590	\$ (4,904)	\$ 16,748
Subtract increase (decrease) in debt	(3,324)	32,032	78,461	(4,693)
Subtract share repurchases	(297,423)	(339,955)	(761,887)	(578,066)
Cash flow before share repurchases and changes in debt	\$ 304,828	\$ 315,513	\$ 678,522	\$ 599,507

Other Selected Financial Information
(in thousands)

	August 25, 2007	August 26, 2006
Cumulative share repurchases (\$)	\$ 5,441,719	\$ 4,679,832
Remaining share authorization (\$)	\$ 458,281	\$ 220,168
Cumulative share repurchases (shares)	99,254	93,222

Shares outstanding, end of quarter	65,960	71,082
	52 Weeks Ended August 25, 2007	52 Weeks Ended August 26, 2006
Net income	\$ 595,672	\$ 569,275
Add: After-tax interest	75,793	68,089
After-tax rent	97,050	90,808
After-tax return	768,515	728,172
Average debt	1,955,652	1,909,011
Average capital lease obligations**	30,538	--
Average equity	478,853	510,657
Add : rent x 6	915,138	863,328
Pre-tax invested capital	\$ 3,380,181	\$ 3,282,996
Return on Invested Capital (ROIC)	22.7%	22.2%

**Average of the capital lease obligations relating to vehicle capital leases entered into at the beginning of fiscal 2007 is computed as the average over the trailing 13 periods. Rent expense associated with the vehicles prior to the conversion to capital leases is included in the rent for purposes of calculating return on invested capital.

AutoZone's 4th Quarter Fiscal 2007 Selected Operating Highlights

Store Count & Square Footage

	16 Weeks Ended		52 Weeks Ended	
	Aug. 25, 2007	Aug. 26, 2006	Aug. 25, 2007	Aug. 26, 2006
Domestic stores:				
Store count:				
Stores opened	53	69	160	185
Stores closed	1	1	1	2
Re-opened				
hurricane stores	--	4	3	9
Hurricane-related store closures	--	4	--	13
Replacement stores	3	7	18	18
Total domestic stores	3,933	3,771	3,933	3,771
Stores with commercial sales	2,182	2,134	2,182	2,134
Square footage (in thousands):	25,135	24,016	25,135	24,016
Square footage per store	6,391	6,369	6,391	6,369
Mexico stores:				
Stores opened	13	8	23	19
Total stores in Mexico	123	100	123	100
Total stores chainwide	4,056	3,871	4,056	3,871

Sales Statistics (Domestic Stores Only)

	16 Weeks Ended		52 Weeks Ended	
	Aug. 25, 2007	Aug. 26, 2006	Aug. 25, 2007	Aug. 26, 2006
Total retail sales (\$ in thousands)	\$1,676,501	\$1,632,545	\$5,160,511	\$4,989,265
% Increase vs. LY retail sales	2.7%	2.9%	3.4%	4.0%
Total commercial				

sales (\$ in thousands)	\$ 224,794	\$ 223,714	\$ 705,567	\$ 708,714
% Increase vs. LY commercial sales	0.5%	(2.6%)	(0.4%)	(1.3%)
Sales per average store (\$ in thousands)	\$ 487	\$ 497	\$ 1,523	\$ 1,548
Sales per average square foot	\$ 76	\$ 78	\$ 239	\$ 243

	16 Weeks Ended Aug. 25, 2007	16 Weeks Ended Aug. 26, 2006	52 Weeks Ended Aug. 25, 2007	52 Weeks Ended Aug. 26, 2006
Same store sales	(0.2%)	(0.9%)	0.1%	0.4%

Inventory Statistics (Total Stores)

	as of Aug. 25, 2007	as of Aug. 26, 2006
Accounts payable/ inventory	93.2%	92.0%
(\$ in thousands)		
Inventory*	\$2,007,430	\$1,846,650
Pay-on-scan inventory	22,387	92,142
Adjusted inventory	\$2,029,817	\$1,938,792
Adjusted inventory per store	\$ 500	\$ 501
Net inventory (net of payables)	\$ 136,762	\$ 146,983
Net inventory / store	\$ 34	\$ 38
	52 Weeks Ended Aug. 25, 2007	52 Weeks Ended Aug. 26, 2006
Inventory turns**	1.6 x	1.7 x

* This is reported balance sheet inventory

** Inventory turns is calculated as cost of sales divided by the average of the beginning and ending merchandise inventories. The calculation includes cost of sales related to pay-on-scan sales, which were \$85.4MM for the trailing 52 weeks ended August 25, 2007 and \$198.1MM for the trailing 52 weeks ended August 26, 2006.

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