

**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**

December 8, 2009

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)

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)

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

(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 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 December 8, 2009, AutoZone, Inc. issued a press release announcing its earnings for the fiscal quarter ended November 21, 2009, 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 December 8, 2009.

SIGNATURES

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.

Dated: December 8, 2009

By: /s/ WILLIAM T. GILES

William T. Giles

*Chief Financial Officer, Executive Vice President, Information Technology
and Store Development*

EXHIBIT INDEX

99.1 Press Release dated December 8, 2009

AutoZone 1st Quarter Sales Increase 7.5%; EPS Increases 26.4% to \$2.82

MEMPHIS, Tenn., Dec. 8, 2009 (GLOBE NEWSWIRE) -- AutoZone, Inc. (NYSE:AZO) today reported net sales of \$1.6 billion for its first quarter (12 weeks) ended November 21, 2009, an increase of 7.5% from the first quarter of fiscal 2009 (12 weeks). Domestic same store sales, or sales for stores open at least one year, increased 5.6% for the quarter.

Net income for the quarter increased \$11.9 million, or 9.1%, over the same period last year to \$143.3 million, while diluted earnings per share increased 26.4% to \$2.82 per share from \$2.23 per share in the year-ago quarter.

For the quarter, gross profit, as a percentage of sales, was 50.3% (versus 50.1% last year). Gross margin increased by 20 basis points primarily due to leverage of distribution costs from lower fuel charges and improved efficiencies. Operating expenses, as a percentage of sales, were 33.9% (versus 34.0% last year). Operating expense leverage from increased sales volumes was offset by ongoing investments in our hub stores and an increase in pension expense due to the recognition of actuarial losses primarily from lower than expected investment performance in fiscal 2009.

Under its share repurchase program, AutoZone repurchased 1.4 million shares of its common stock for \$204 million during the first quarter, at an average price of \$144 per share. The Company has \$105 million remaining under its current share repurchase authorization.

The Company's inventory increased 3.5% over the same period last year, driven by new store openings. Inventory per store was \$508 thousand versus \$512 thousand last year. Net inventory, defined as merchandise inventories less accounts payable, decreased on a per store basis to \$17 thousand from \$43 thousand last year.

"We are pleased to report a 26.4% increase in diluted earnings per share, which is our 13th consecutive quarter of double digit EPS growth. I would like to thank all AutoZoners across North America for their dedication and commitment to providing the type of customer service and trustworthy advice our customers have come to expect from AutoZone. This past quarter, both our Retail and Commercial businesses reported strong sales growth. We remain committed to our plan of continually improving our parts coverage, hiring, retaining and training the best automotive parts professionals, and growing our Commercial business. Additionally, we reported a 24.9% trailing four quarter return on invested capital ratio this past quarter, as we remain committed to our disciplined approach of growing operating earnings while utilizing our capital effectively," said Bill Rhodes, Chairman, President and Chief Executive Officer.

During the quarter ended November 21, 2009, AutoZone opened 38 new stores, closed two stores, and relocated one store in the U.S. and opened 5 stores in Mexico. As of November 21, 2009, the Company had 4,265 stores in 48 states, the District of Columbia and Puerto Rico in the U.S. and 193 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, service stations, and public sector accounts. 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, December 8, 2009, beginning at 10:00 a.m. (EST) to discuss its first 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, December 15, 2009 at 11:59 p.m. (EST).

This release includes certain financial information not derived in accordance with generally accepted accounting principles ("GAAP"). These non-GAAP measures include return on invested capital, 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 in order to maintain its investment grade credit ratings 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 additional 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: 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 29, 2009, and these Risk Factors should be read carefully. 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 events described above and in the "Risk Factors" 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.

AutoZone's 1st Quarter Highlights - Fiscal 2010

Condensed Consolidated Statements of Operations 1st Quarter (in thousands, except per share data)

	GAAP Results	
	12 Weeks Ended November 21, 2009	12 Weeks Ended November 22, 2008
Net sales	\$1,589,244	\$1,478,292
Cost of sales	789,320	737,101
Gross profit	799,924	741,191
Operating, SG&A expenses	539,496	502,652
Operating profit (EBIT)	260,428	238,539
Interest expense, net	36,340	31,166
Income before taxes	224,088	207,373
Income taxes	80,788	76,002
Net income	\$ 143,300	\$ 131,371
Net income per share:		
Basic	\$ 2.86	\$ 2.25
Diluted	\$ 2.82	\$ 2.23
Weighted average shares outstanding:		
Basic	50,114	58,325
Diluted	50,824	58,915

Selected Balance Sheet Information (in thousands)

	November 21, 2009	November 22, 2008	August 29, 2009
Cash and cash equivalents	\$ 79,603	\$ 85,756	\$ 92,706
Merchandise inventories	2,262,823	2,186,627	2,207,497
Current assets	2,617,941	2,462,145	2,561,730
Property and equipment, net	2,368,846	2,267,198	2,354,357
Total assets	5,385,823	5,113,214	5,318,405
Accounts payable	2,187,347	2,002,128	2,118,746
Current liabilities	2,804,380	2,527,977	2,706,752
Total debt	2,739,500	2,268,200	2,726,900
Stockholders' equity (deficit)	(483,965)	59,997	(433,074)
Working capital	(186,439)	(65,832)	(145,022)

Adjusted Debt / EBITDAR (Trailing 4 Qtrs)	November 21, 2009	November 22, 2008
Net income	\$ 668,979	\$ 640,461
Add: Interest	147,491	119,849
Taxes	381,482	364,988
EBIT	1,197,952	1,125,298
Add: Depreciation	182,846	169,970
Rent expense	185,520	170,644
Option expense	18,932	18,662

EBITDAR	\$1,585,250	\$1,484,574
Debt	\$2,739,500	\$2,268,200
Capital lease obligations	53,004	59,640
Add: rent x 6	1,113,120	1,023,864
	-----	-----
Adjusted debt	\$3,905,624	\$3,351,704
	=====	=====
Adjusted debt to EBITDAR	2.5	2.3

Selected Cash Flow Information
(in thousands)

	12 Weeks Ended November 21, 2009	12 Weeks Ended November 22, 2008
	-----	-----
Depreciation	\$ 42,566	\$ 40,153
Capital spending	\$ 53,439	\$ 51,099
	-----	-----
Cash flow before share repurchases:		
Net decrease in cash and cash equivalents	\$ (13,103)	\$ (156,705)
Subtract increase in debt	12,600	18,200
Subtract share repurchases	(204,379)	(272,123)
	-----	-----
Cash flow before share repurchases and changes in debt	\$ 178,676	\$ 97,218
	=====	=====

Other Selected Financial Information
(in thousands)

	November 21, 2009	November 22, 2008
	-----	-----
Cumulative share repurchases (\$ since fiscal 1998)	\$7,795,296	\$6,563,038
Remaining share authorization (\$)	\$ 104,704	\$ 336,962
Cumulative share repurchases (shares since fiscal 1998)	116,787	108,290
Shares outstanding, end of quarter	49,427	57,488

	Trailing 4 Quarters	
	November 21, 2009	November 22, 2008
	-----	-----
Net income	\$ 668,979	\$ 640,461
Add: After-tax interest	93,952	76,224
After-tax rent	118,176	108,529
	-----	-----
After-tax return	881,107	825,214
Average debt*	2,581,169	2,073,108
Average capital lease obligations*	56,863	61,637
Average equity*	(211,980)	291,256
Add: pre-tax rent x 6	1,113,120	1,023,864
	-----	-----
Invested capital	\$3,539,172	\$3,449,865
	=====	=====
Return on Invested Capital (ROIC)	24.9%	23.9%

* All averages are computed by taking trailing 14 periods balances

AutoZone's 1st Quarter Fiscal 2010
Selected Operating Highlights

Store Count & Square Footage

	12 Weeks Ended November	12 Weeks Ended November
	-----	-----

	21, 2009	22, 2008
	-----	-----
Domestic stores:		
Store count:		
Stores opened	38	30
Stores closed	2	--
Replacement stores	1	2
Total domestic stores	4,265	4,122
Stores with commercial programs	2,312	2,240
Square footage (in thousands):	27,444	26,443
Mexico stores:		
Stores opened	5	2
Total stores in Mexico	193	150
Total stores chainwide	4,458	4,272
Square footage (in thousands):	28,838	27,513
Square footage per store	6,469	6,440

Sales Statistics

(\$ in thousands, except sales per average square foot)

	12 Weeks Ended November 21, 2009	12 Weeks Ended November 22, 2008
	-----	-----
Total Auto Parts (Domestic and Mexico)		
Total auto parts sales	\$ 1,556,261	\$ 1,445,601
% Increase vs. LY	7.7%	1.4%
Sales per average store	\$ 351	\$ 340
Sales per average square foot	\$ 54	\$ 53
Domestic Commercial		
Total domestic commercial sales	\$ 183,842	\$ 170,627
% Increase vs. LY	7.7%	1.8%
All Other (ALLDATA and E-Commerce)		
All other sales	\$ 32,983	\$ 32,690
% Increase vs. LY	0.9%	6.7%
	Trailing 4 quarters November 21, 2009	Trailing 4 quarters November 22, 2008
	-----	-----
Total Auto Parts (Domestic and Mexico)		
Total auto parts sales	\$ 6,782,599	\$ 6,404,268
% Increase vs. LY	5.9%	4.9%
% Increase vs. LY (excl 53rd week)	8.0%	2.9%
Sales per average store	\$ 1,554	\$ 1,531
Sales per average square foot	\$ 241	\$ 238
Domestic Commercial		
Total domestic commercial sales	\$ 786,262	\$ 756,786
% Increase vs. LY	3.9%	6.2%
% Increase vs. LY (excl 53rd week)	5.7%	4.4%
All Other (ALLDATA and E-Commerce)		
All other sales	\$ 145,177	\$ 141,075
% Increase vs. LY	2.9%	10.3%
% Increase vs. LY (excl 53rd week)	4.9%	8.2%
	12 Weeks Ended November 21, 2009	12 Weeks Ended November 22, 2008
	-----	-----
Domestic same store sales	5.6%	(1.5%)

Inventory Statistics (Total Stores)

	as of November	as of November
	-----	-----

	21, 2009	22, 2008
	-----	-----
Accounts payable/inventory	96.7%	91.6%
(\$ in thousands)		
Inventory	\$ 2,262,823	\$ 2,186,627
Inventory per store	\$ 508	\$ 512
Net inventory (net of payables)	\$ 75,476	\$ 184,499
Net inventory / per store	\$ 17	\$ 43

	Trailing 4 quarters	
	November	November
	21, 2009	22, 2008
	-----	-----
Inventory turns	1.6 x	1.5 x

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