

# **AutoZone by the Numbers**

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## ***America's Number One***

## ***Vehicle Solutions Provider***

As of May 8, 2004, AutoZone sells auto and light truck parts, chemicals and accessories through 3,337 AutoZone stores in 48 states plus the District of Columbia in the U.S. and 60 AutoZone stores in Mexico and also sells the ALLDATA brand automotive diagnostic and repair software. Many of the domestic stores include 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. On the web, AutoZone sells automotive diagnostic and repair information and auto and light truck parts through [www.autozone.com](http://www.autozone.com).

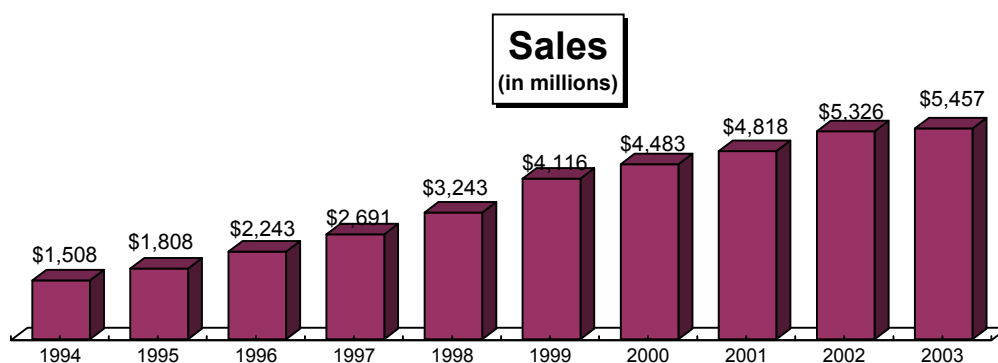
Each of our approximately 49,000 AutoZoners is committed to the highest level of customer service - every store has AutoZoners equipped with the tools and knowledge necessary to provide the highest level of technical advice and diagnostic support to our customers. AutoZone's website, [www.AutoZone.com](http://www.AutoZone.com), can be used to order parts online or to look up parts in your local AutoZone store. The website is also a great resource for helpful maintenance and repair information. Through ALLDATA, the Company provides the most comprehensive electronic diagnostic and repair information available to professional mechanics either online, on CD or DVD.

The Company was founded in 1979 and has been publicly held since 1991. AutoZone stock trades on the New York Stock Exchange under the ticker symbol "AZO" and is included in the Standard & Poor's 500 index. AutoZone is also recognized on the list of Fortune 500 companies.

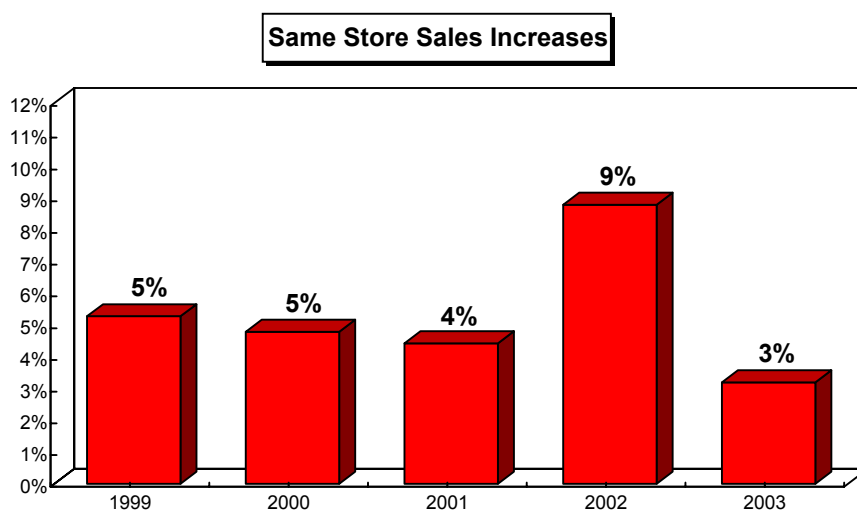


## Historical Trends

**Sales grew at a compound rate of 16% over the past ten years.**



**Same store sales, or sales at stores open greater than one year, have averaged 5.3% over the past five years.**



## Auto Parts Store Development

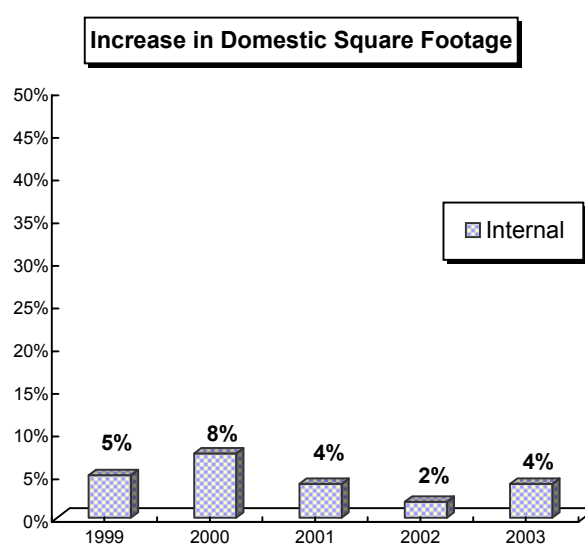
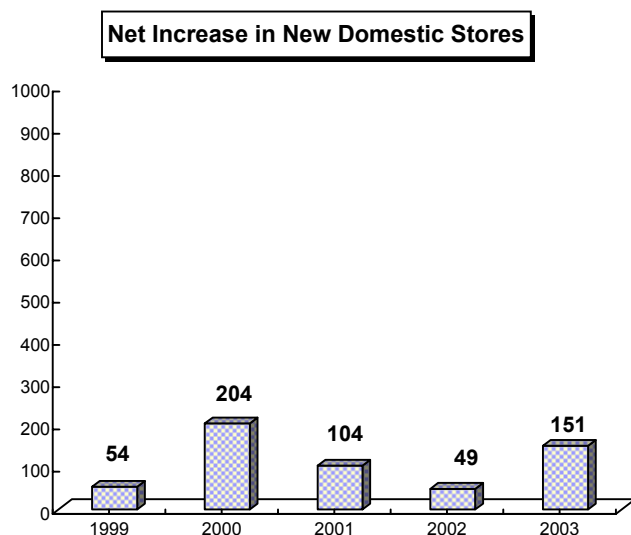
***In FY03, we opened 160 new AutoZone stores in the U.S., replaced 6 and closed 9. In Mexico, we opened 10 new stores. At the end of FY03 AutoZone has 3,219 stores in 48 states in the U.S. plus the District of Columbia and 49 stores in Mexico. AutoZone expects to open 195 new U.S. stores in 2004.***

***In FY02, we opened 102 new AutoZone stores in the U.S., replaced 15 and closed 53. In Mexico, we opened 18 new stores for a total of 39 stores in Mexico, including six in the interior. The majority of the 53 stores closed in FY02 did not meet the new 15% hurdle rate established for new investments.***

***In FY01, we opened 107 new AutoZone stores in the U.S., replaced 16 and closed three. In Mexico, we opened eight new stores for a total of 21 stores in Mexico, including two in the interior.***

***In FY00, we opened 208 new AutoZone stores in the U.S., replaced 30 and closed four. Seven stores were opened in Mexico for a total of 13 stores, all in the border area.***

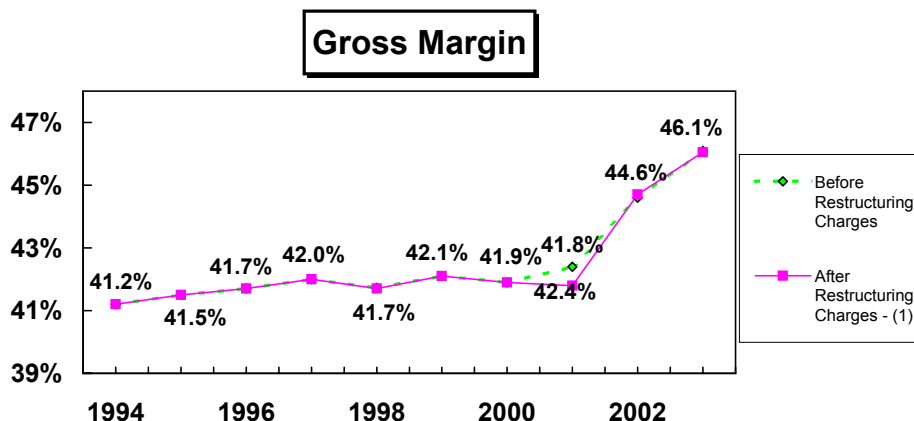
***In FY99, we opened 245 new AutoZone stores in the U.S. and replaced 41 former Chief stores and 18 AutoZone stores. These new and replacement stores included 96 locations acquired from a competitor. We closed 177 Chief stores, 5 Auto Palace stores and 9 AutoZone stores. By the end of FY99, all acquired stores were operating as AutoZone. Also, in 1999, we opened our first six stores in Mexico.***



## Gross margin

### Gross margin .....

**In FY03 gross margin as a percent of sales increased by 1.48 percentage points to 46.1%. These gross margin improvements reflect the additive impact of new merchandise, our relentless focus on taking cost out of the business, leveraging supply chain costs, and the benefit of more strategic and disciplined pricing coming from our category management**



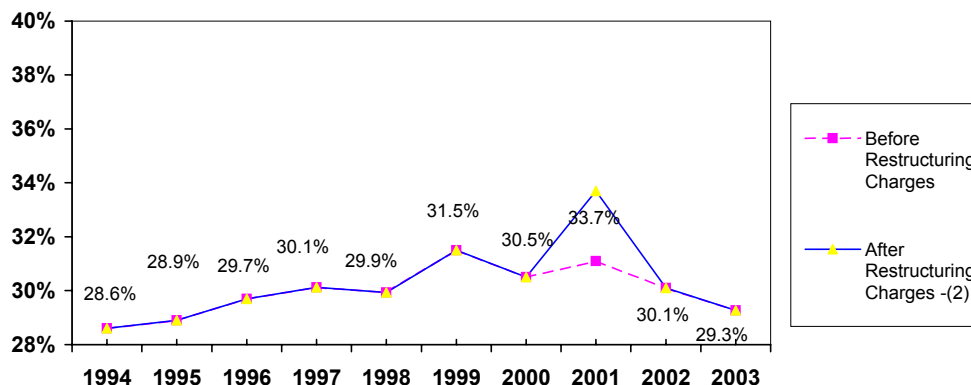
(1) See reconciliation of Non-GAAP financial measures on page 10

## Operating expenses

### Operating expenses .....

**In FY03, net operating expenses declined to 29.3% of sales, resulting in a record annual operating margin of 16.8%. In the fourth quarter, net operating expenses were 27.9% of sales, resulting in a record quarterly operating margin of 19.7%.**

### Operating Selling, General & Administrative Expenses as a Percent of Sales

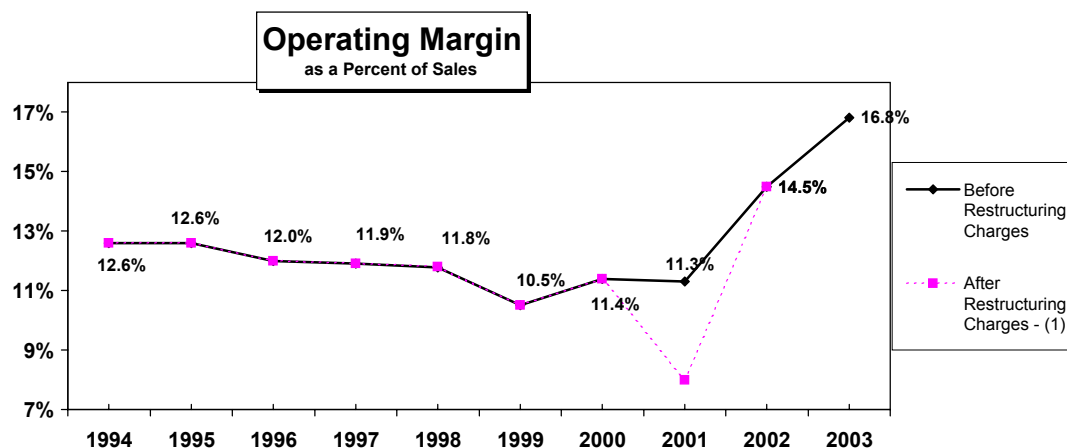


(2) See reconciliation of Non-GAAP financial measures on page 10

## Operating Margins

### Operating margins ....

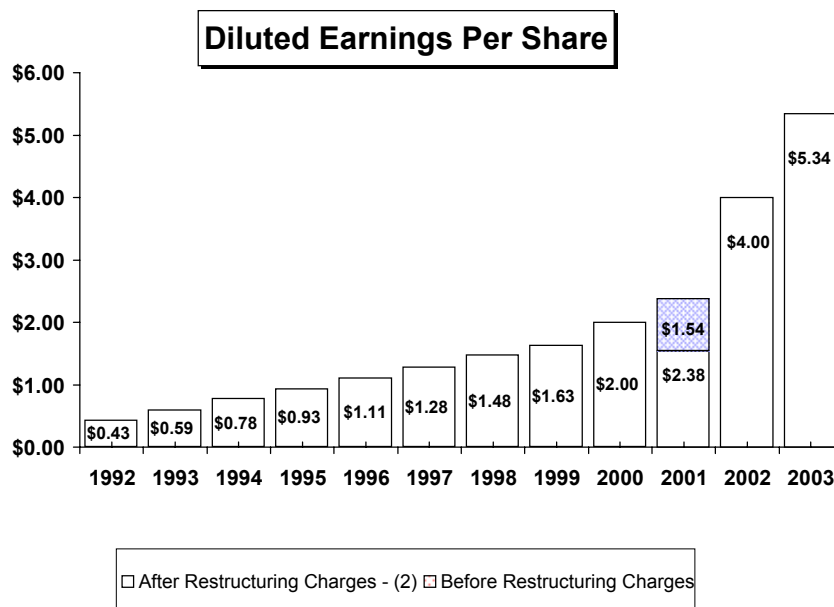
Operating margins reached an all-time high of 16.8% in FY03, primarily due to improved gross margin and good cost control. Fourth quarter operating margin was also a record at 19.7%.



(1) See reconciliation of Non-GAAP financial measures on page 10

## Diluted Earnings Per Share

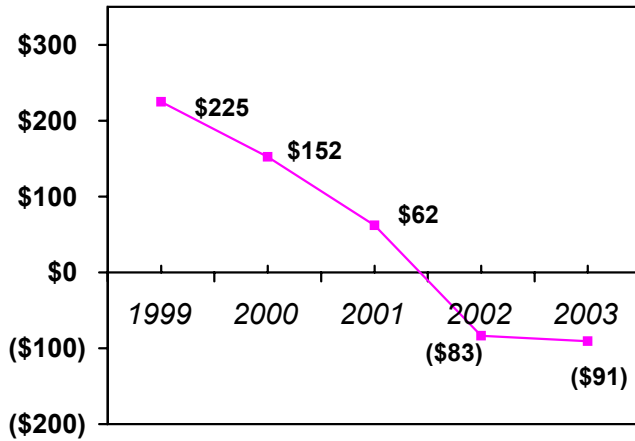
Diluted earnings per share increased 34% in FY03 to \$5.34 on 97.0 million shares. Diluted earnings per share in FY02 were up 68% to \$4.00 on 107.1 million shares.



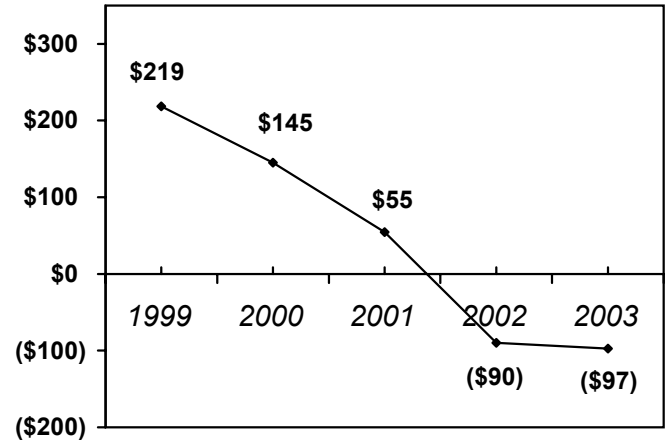
(2) See reconciliation of Non-GAAP financial measures on page 10

## Historical Trends - Balance Sheet Analysis

**Working Capital**  
(in millions)



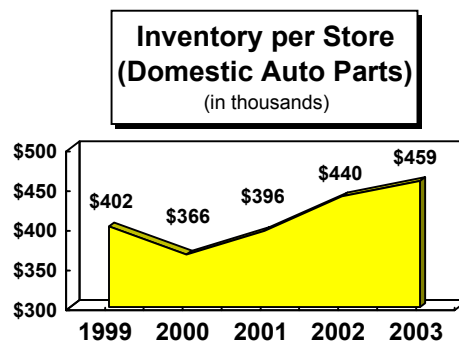
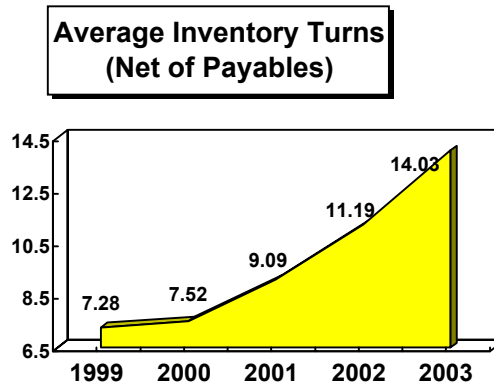
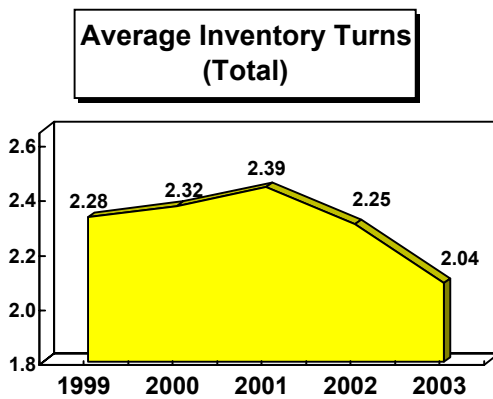
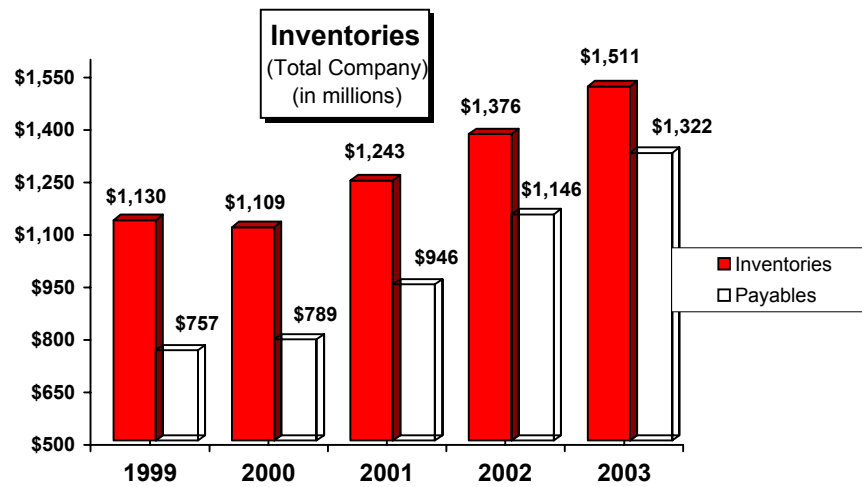
**Working Capital less Cash**  
(in millions)



**Working Capital Statistics (\* in thousands)**

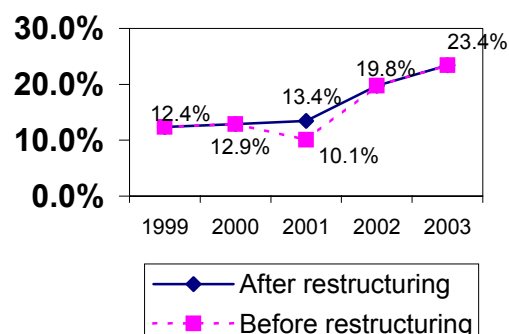
Fiscal Year	Working Capital*	Working Capital less Cash & CE *	Working Capital less Cash & Debt/ Sales	Inventory*	Average Inventory Turns	Average Inventory Days	Accounts Payable*	Accounts Payable/ Inventory	Net Average Inventory Turns
2003	(\$90,571)	(\$97,313)	(1.8)%	\$1,511,316	2.04	179	\$1,321,905	87%	14.03
2002	(\$83,443)	(\$89,941)	(1.7)%	\$1,375,584	2.25	162	\$1,145,533	83%	11.19
2001	\$61,857	\$54,571	1.1%	\$1,242,896	2.39	153	\$945,666	76%	9.09
2000	152,236	145,267	3.2%	1,108,978	2.32	157	788,825	71%	7.52
1999	224,530	218,613	5.3%	1,129,693	2.28	160	757,447	67%	7.28
1998	257,261	250,630	7.7%	966,560	2.26	162	683,372	71%	6.96
1997	186,350	181,682	6.8%	709,446	2.46	148	449,793	63%	7.53
1996	219	90,715	4.0%	555,894	2.73	134	401,309	72%	10.72
1995	30,273	37,365	2.1%	395,751	2.90	126	306,441	77%	12.35

**FY03, gross inventories increased in line with sales. Inventory net of payables declined \$41 million to \$189 million.**

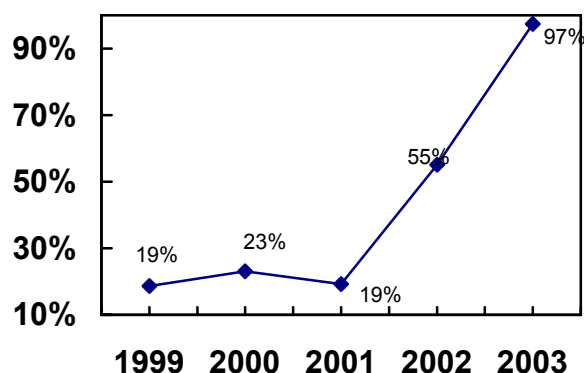


# Historical Trends - Returns

**After-tax Return on Invested Capital**



**Return on Average Equity**



Reconciliation of Non-GAAP Financial Measure: After-Tax Return on Invested Capital

## Fiscal Year Ended August

	2003	2002	2001	2000	1999
Net income	\$ 517,604	\$ 428,148	\$ 175,526	\$ 267,590	\$ 244,783
Adjustments :					
After-tax interest	52,686	49,471	61,560	47,241	28,603
After-tax rent	68,764	61,348	61,396	58,853	60,542
After-tax return	639,054	538,967	298,482	373,684	333,928
After-tax restructuring and impairment charges	-	-	95,822	-	-
After-tax return excluding restructuring and impairment charges	\$ 639,054	\$ 538,967	\$ 394,304	\$ 373,684	\$ 333,928
Average debt	\$ 1,484,987	\$ 1,329,077	\$ 1,445,899	\$ 1,182,055	\$ 807,320
Average equity	580,176	802,289	879,912	1,149,104	1,316,204
Rent x 6	663,990	594,192	602,382	574,290	575,460
Pretax invested capital	2,729,153	2,725,558	2,928,193	2,905,449	2,698,984
Average equity, excluding restructuring and impairment charges	-	-	6,844	-	-
Pretax invested capital, excluding restructuring and impairment charges	\$ 2,729,153	\$ 2,725,558	\$ 2,935,037	\$ 2,905,449	\$ 2,698,984
ROIC	23.4%	19.8%	10.1%	12.9%	12.4%
ROIC, before restructuring and impairment charges	23.4%	19.8%	13.4%	12.9%	12.4%



## Historical Income Statements

(in thousands, except per share data)

	Results of Operations	Nonrecurring or Infrequent Items	Excluding Nonrecurring or Infrequent Items	Results of Operations	53rd Week	Excluding 53rd week
(in thousands)	<u>2003</u>	<u>2003</u>	<u>2003</u>	<u>2002</u>	<u>2002</u>	<u>2002</u>
Net sales	\$ 5,457,123	\$ -	\$ 5,457,123	\$ 5,325,510	\$ (109,079)	\$ 5,216,431
Cost of sales, including warehouse and delivery expenses	<u>2,942,114</u>	<u>42,616</u>	<u>2,984,730</u>	<u>2,950,123</u>	<u>(58,688)</u>	<u>2,891,435</u>
Gross profit	2,515,009	(42,616)	2,472,393	2,375,387	(50,391)	2,324,996
Operating, selling, general, and administrative expense:	1,597,212	(43,300)	1,553,912	1,604,379	(20,911)	1,583,468
Restructuring and impairment chg:	-	-	-	-	-	-
Operating profit	<u>917,797</u>	<u>684</u>	<u>918,481</u>	<u>771,008</u>	<u>(29,480)</u>	<u>741,528</u>
Interest income (expense)	<u>(84,790)</u>	<u>-</u>	<u>(84,790)</u>	<u>(79,860)</u>	<u>-</u>	<u>(79,860)</u>
Income before income taxes	833,007	684	833,691	691,148	(29,480)	661,668
Income taxes	<u>315,403</u>	<u>258</u>	<u>315,661</u>	<u>263,000</u>	<u>(11,210)</u>	<u>251,790</u>
Net income	<u>\$ 517,604</u>	<u>\$ 426</u>	<u>\$ 518,030</u>	<u>\$ 428,148</u>	<u>\$ (18,270)</u>	<u>\$ 409,878</u>
Diluted earnings per share	<u>\$ 5.34</u>	<u>\$ 0.00</u>	<u>\$ 5.34</u>	<u>\$ 4.00</u>	<u>\$ (0.17)</u>	<u>\$ 3.83</u>
Diluted weighted average shares outstanding	<u>96,963</u>	<u>96,963</u>	<u>96,963</u>	<u>107,111</u>	<u>107,111</u>	<u>107,111</u>

### Income Statement (percent to sales)

	Results of Operations	Excluding Nonrecurring or Infrequent Items	Results of Operations	Excluding 53rd week
	<u>2003</u>	<u>2003</u>	<u>2002</u>	<u>2002</u>
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales, including warehouse and delivery expense	<u>53.9%</u>	<u>54.7%</u>	<u>55.4%</u>	<u>55.4%</u>
Gross margin	46.1%	45.3%	44.6%	44.6%
Operating, selling, general, and administrative expense:	29.3%	28.5%	30.1%	30.4%
Restructuring and impairment chg:	-	-	-	-
Operating profit	<u>16.8%</u>	<u>16.8%</u>	<u>14.5%</u>	<u>14.2%</u>
Interest income (expense)	<u>(1.6%)</u>	<u>(1.6%)</u>	<u>(1.5%)</u>	<u>(1.5%)</u>
Income before income tax:	15.3%	15.3%	13.0%	12.7%
Income taxes	<u>5.8%</u>	<u>5.8%</u>	<u>4.9%</u>	<u>4.8%</u>
Net income	<u>9.5%</u>	<u>9.5%</u>	<u>8.0%</u>	<u>7.9%</u>

## Historical Income Statements

(in thousands, except per share data)

	Results of Operations		Excluding Restructuring and Impairment Charges		Results of Operations
	<u>2001</u>	<u>2001</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
(in thousands)					
Net sales	\$ 4,818,185	\$ -	\$ 4,818,185	\$ 4,482,696	\$ 4,116,392
Cost of sales, including warehouse and delivery expenses	<u>2,804,896</u>	<u>(30,133)</u>	<u>2,774,763</u>	<u>2,602,386</u>	<u>2,384,970</u>
Gross profit	2,013,289	30,133	2,043,422	1,880,310	1,731,422
Operating, selling, general, and administrative expense:	1,498,909	-	1,498,909	1,368,290	1,298,327
Restructuring and impairment chgs	<u>126,689</u>	<u>(126,689)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating profit	387,691	156,822	544,513	512,020	433,095
Interest income (expense)	<u>(100,665)</u>	<u>-</u>	<u>(100,665)</u>	<u>(76,830)</u>	<u>(45,312)</u>
Income before income taxes	287,026	156,822	443,848	435,190	387,783
Income taxes	<u>111,500</u>	<u>61,000</u>	<u>172,500</u>	<u>167,600</u>	<u>143,000</u>
Net income	<u>\$ 175,526</u>	<u>\$ 95,822</u>	<u>\$ 271,348</u>	<u>\$ 267,590</u>	<u>\$ 244,783</u>
Diluted earnings per share	<u>\$ 1.54</u>	<u>\$ 0.84</u>	<u>\$ 2.38</u>	<u>\$ 2.00</u>	<u>\$ 1.63</u>
Diluted weighted average shares outstanding	<u>113,801</u>	<u>113,801</u>	<u>113,801</u>	<u>133,869</u>	<u>150,257</u>

### Income Statement (percent to sales)

	Results of Operations	Restructuring and Impairment Charges	Excluding Restructuring and Impairment Charges	2000	1999
	<u>2001</u>	<u>2001</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Net sales	100.0%		100.0%	100.0%	100.0%
Cost of sales, including warehouse and delivery expense	<u>58.2%</u>		<u>57.6%</u>	<u>58.1%</u>	<u>57.9%</u>
Gross margin	41.8%		42.4%	41.9%	42.1%
Operating, selling, general, and administrative expense:	31.1%		31.1%	30.5%	31.6%
Restructuring and impairment chg:	<u>2.6%</u>		<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Operating profit	8.0%		11.3%	11.4%	10.5%
Interest income (expense)	<u>(2.1%)</u>		<u>(2.1%)</u>	<u>(1.7%)</u>	<u>(1.1%)</u>
Income before income tax:	6.0%		9.2%	9.7%	9.4%
Income taxes	<u>2.3%</u>		<u>3.6%</u>	<u>3.7%</u>	<u>3.5%</u>
Net income	<u>3.6%</u>		<u>5.6%</u>	<u>6.0%</u>	<u>5.9%</u>

## Historical Income Statements

(in thousands, except per share data)

	<b><u>1998</u></b>	<b><u>1997</u></b>	<b><u>1996*</u></b>	<b><u>1995</u></b>	<b><u>1994</u></b>
Net sales	\$ 3,242,922	\$ 2,691,440	\$ 2,242,633	\$ 1,808,131	\$ 1,508,029
Cost of sales, including					
warehouse and delivery expenses	<u>1,889,847</u>	<u>1,559,296</u>	<u>1,307,638</u>	<u>1,057,033</u>	<u>886,068</u>
Gross profit	<u>1,353,075</u>	<u>1,132,144</u>	<u>934,995</u>	<u>751,098</u>	<u>621,961</u>
Operating, selling, general, and					
administrative expenses	<u>970,768</u>	<u>810,793</u>	<u>666,061</u>	<u>523,440</u>	<u>431,219</u>
Operating profit	<u>382,307</u>	<u>321,351</u>	<u>268,934</u>	<u>227,658</u>	<u>190,742</u>
Interest income (expense)	<u>(18,204)</u>	<u>(8,843)</u>	<u>(1,969)</u>	<u>623</u>	<u>2,244</u>
Income before income taxes	<u>364,103</u>	<u>312,508</u>	<u>266,965</u>	<u>228,281</u>	<u>192,986</u>
Income taxes	<u>136,200</u>	<u>117,500</u>	<u>99,800</u>	<u>89,500</u>	<u>76,600</u>
Net income	<u>\$ 227,903</u>	<u>\$ 195,008</u>	<u>\$ 167,165</u>	<u>\$ 138,781</u>	<u>\$ 116,386</u>
Diluted earnings per share	<u>\$ 1.48</u>	<u>\$ 1.28</u>	<u>\$ 1.11</u>	<u>\$ 0.93</u>	<u>\$ 0.78</u>
Diluted weighted average shares outstanding	<u>154,070</u>	<u>152,535</u>	<u>151,238</u>	<u>149,302</u>	<u>148,726</u>

### Income Statement (percent to sales)

	<b><u>1998</u></b>	<b><u>1997</u></b>	<b><u>1996</u></b>	<b><u>1995</u></b>	<b><u>1994</u></b>
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales, including					
warehouse and delivery expenses	<u>58.3%</u>	<u>57.9%</u>	<u>58.3%</u>	<u>58.5%</u>	<u>58.8%</u>
Gross margin	<u>41.7%</u>	<u>42.1%</u>	<u>41.7%</u>	<u>41.5%</u>	<u>41.2%</u>
Operating, selling, general, and					
administrative expenses	<u>29.9%</u>	<u>30.1%</u>	<u>29.7%</u>	<u>28.9%</u>	<u>28.6%</u>
Operating profit	<u>11.8%</u>	<u>11.9%</u>	<u>12.0%</u>	<u>12.6%</u>	<u>12.6%</u>
Interest income (expense)	<u>(0.6%)</u>	<u>(0.3%)</u>	<u>(0.1%)</u>	<u>0.0%</u>	<u>0.1%</u>
Income before income taxes	<u>11.2%</u>	<u>11.6%</u>	<u>11.9%</u>	<u>12.6%</u>	<u>12.8%</u>
Income taxes	<u>4.2%</u>	<u>4.4%</u>	<u>4.5%</u>	<u>4.9%</u>	<u>5.1%</u>
Net income	<u>7.0%</u>	<u>7.2%</u>	<u>7.5%</u>	<u>7.7%</u>	<u>7.7%</u>

\* 1996 includes an extra week

## Historical Balance Sheets

(in thousands)

Assets	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Current Assets:					
Cash and cash equivalents	\$ 6,742	\$ 6,498	\$ 7,286	\$ 6,969	\$ 5,918
Accounts receivable	43,746	23,782	19,135	21,407	25,917
Income taxes receivable					
Merchandise inventories	1,511,316	1,375,584	1,242,896	1,108,978	1,129,693
Prepaid expenses	19,194	11,690	18,426	30,214	33,468
Deferred income taxes	<u>3,996</u>	<u>32,574</u>	<u>40,768</u>	<u>19,212</u>	<u>30,088</u>
Total current assets	1,584,994	1,450,128	1,328,511	1,186,780	1,225,084
Property, plant, and equipment:					
Land	525,473	502,302	492,287	458,217	390,920
Building and improvements	1,325,759	1,228,604	1,182,880	1,149,900	1,003,308
Equipment	551,465	533,121	505,282	484,967	438,855
Leasehold improvements and interests	125,592	114,317	116,639	117,452	102,646
Construction in progress	<u>44,871</u>	<u>53,786</u>	<u>75,223</u>	<u>109,840</u>	<u>153,323</u>
Property, plant, and equipment:	2,573,160	2,432,130	2,372,311	2,320,376	2,089,052
Less allowances for depreciation and amortization	<u>857,407</u>	<u>770,402</u>	<u>661,868</u>	<u>561,936</u>	<u>450,566</u>
	1,715,753	1,661,728	1,710,443	1,758,440	1,638,486
Other Assets:					
Cost in excess of assets acquired, net of accumulated amortization of \$32,186 in 2003 and 2002	294,348	305,390	305,390	324,494	337,261
Deferred income taxes	25,543	60,304	80,593	52,182	76,412
Other assets	<u>59,828</u>	<u>241</u>	<u>7,575</u>	<u>11,322</u>	<u>7,524</u>
	379,719	365,935	393,558	387,998	421,197
Total Assets	<u>\$ 3,680,466</u>	<u>\$ 3,477,791</u>	<u>\$ 3,432,512</u>	<u>\$ 3,333,218</u>	<u>\$ 3,284,767</u>
Liabilities and Shareholders' Equity					
Current Liabilities:					
Accounts payable	\$ 1,321,905	\$ 1,145,533	\$ 945,666	\$ 788,825	\$ 757,447
Accrued expenses	313,683	344,600	292,153	227,682	230,036
Income taxes payable	<u>39,978</u>	<u>43,438</u>	<u>28,835</u>	<u>18,037</u>	<u>13,071</u>
Total current liabilities	1,675,566	1,533,571	1,266,654	1,034,544	1,000,554
Long term debt	1,546,845	1,194,517	1,225,402	1,249,937	888,340
Other liabilities	84,297	60,576	74,243	56,558	72,072
Deferred income taxes	-	-	-	-	-
Shareholders' equity	<u>373,758</u>	<u>689,127</u>	<u>866,213</u>	<u>992,179</u>	<u>1,323,801</u>
Total Liabilities and Shareholders' Equity	<u>\$ 3,680,466</u>	<u>\$ 3,477,791</u>	<u>\$ 3,432,512</u>	<u>\$ 3,333,218</u>	<u>\$ 3,284,767</u>

# Historical Balance Sheets

(in thousands)

Assets	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
Current Assets:					
Cash and cash equivalents	\$ 6,631	\$ 4,668	\$ 3,904	\$ 6,411	\$ 56,236
Accounts receivable	42,252	18,713	15,466	9,690	7,135
Income taxes receivable	2,151	-	-	-	-
Merchandise inventories	966,560	709,446	555,894	395,751	334,064
Prepaid expenses	37,532	20,987	19,225	13,329	9,793
Deferred income taxes	<u>61,964</u>	<u>24,988</u>	<u>18,608</u>	<u>22,641</u>	<u>17,174</u>
Total current assets	1,117,090	778,802	613,097	447,822	424,402
Property, plant, and equipment:					
Land	320,203	243,587	190,660	140,953	99,108
Building and improvements	851,083	682,710	523,240	328,398	219,141
Equipment	374,465	267,536	248,275	188,351	136,071
Leasehold improvements and interests	82,273	45,667	36,708	29,785	28,893
Construction in progress	<u>150,461</u>	<u>97,411</u>	<u>62,283</u>	<u>104,869</u>	<u>55,747</u>
Property, plant, and equipment:	1,778,485	1,336,911	1,061,166	792,356	538,960
Less allowances for depreciation and amortization	<u>350,979</u>	<u>255,783</u>	<u>198,292</u>	<u>148,148</u>	<u>102,883</u>
	1,427,506	1,081,128	862,874	644,208	436,077
Other Assets:					
Cost in excess of assets acquired	181,315	16,570	17,187	17,803	18,419
Deferred income taxes	3,510	4,339	2,938	-	-
Other assets	<u>18,692</u>	<u>3,178</u>	<u>2,301</u>	<u>1,945</u>	<u>3,204</u>
	<u>203,517</u>	<u>24,087</u>	<u>22,426</u>	<u>19,748</u>	<u>21,623</u>
Total Assets	<u>\$ 2,748,113</u>	<u>\$ 1,884,017</u>	<u>\$ 1,498,397</u>	<u>\$ 1,111,778</u>	<u>\$ 882,102</u>
Liabilities and Shareholders' Equity					
Current Liabilities:					
Accounts payable	\$ 683,372	\$ 449,793	\$ 401,309	\$ 306,441	\$ 252,134
Accrued expenses	176,457	122,580	104,909	91,838	81,479
Income taxes payable	-	20,079	12,260	5,767	5,189
Revolving credit agreement	-	-	94,400	9,500	-
Current portion of long term debt	-	-	-	4,003	227
Total current liabilities	859,829	592,452	612,878	417,549	339,029
Long term debt	545,067	198,400	-	-	4,025
Other Liabilities	41,160	17,957	19,937	8,318	7,697
Deferred income taxes	-	-	-	1,201	2,974
Shareholders' equity	<u>1,302,057</u>	<u>1,075,208</u>	<u>865,582</u>	<u>684,710</u>	<u>528,377</u>
Total Liabilities and Shareholders' Equity	<u>\$ 2,748,113</u>	<u>\$ 1,884,017</u>	<u>\$ 1,498,397</u>	<u>\$ 1,111,778</u>	<u>\$ 882,102</u>

# Historical Cash Flow Statements

(in thousands)

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Cash flows from operating activities:					
Net income	\$ 517,604	\$ 428,148	\$ 175,526	\$ 267,590	\$ 244,783
Depreciation and amortization	109,748	118,255	131,333	126,800	128,531
Deferred income taxes	65,701	28,483	(46,981)	39,338	42,929
Restructuring and impairment charges	-	-	156,822	-	-
Income tax benefit from exercise of options	37,402	42,159	13,495	4,050	4,300
Net change in accounts receivable and prepaid expenses	(27,468)	(12,879)	10,562	7,764	20,399
Net change in merchandise inventories	(135,732)	(168,150)	(164,164)	20,715	(201,553)
Net change in accounts payable and accrued expenses	145,455	285,329	187,801	61,382	70,304
Net change in income taxes payable	(3,460)	13,743	10,798	4,966	13,367
(Gain) loss on disposal of property plant and equipment	-	-	-	-	-
Net change in other assets and liabilities	(10,995)	4,003	(16,255)	(19,645)	(11,392)
Net cash provided by operating activities	698,255	739,091	458,937	512,960	311,668
Cash flows from investing activities:					
Capital expenditures	(182,242)	(117,239)	(169,296)	(249,657)	(428,315)
Acquisitions	-	-	-	-	-
Proceeds from sale of business	-	25,723	-	-	-
Proceeds from disposal of capital assets	14,443	25,094	44,601	11,771	-
Notes receivable from officers	-	1,911	2,552	(4,463)	-
Net cash used in investing activities	(167,799)	(64,511)	(122,143)	(242,349)	(428,315)
Cash flows from financing activities:					
Net change in commercial paper	44,800	(162,247)	(381,853)	234,300	228,000
Proceeds from issuance of debt	500,000	150,000	465,000	-	148,913
Repayment of debt	(215,000)	(15,000)	(105,000)	120,000	(34,050)
Repayment of subsidiary debt	-	-	-	-	-
Net proceeds from sale of common stock	45,303	55,676	48,410	5,455	7,266
Purchase of treasury stock	(891,095)	(698,983)	(366,097)	(639,925)	(234,602)
Settlement of interest rate hedge instruments	(28,524)	-	-	-	-
Other	14,304	(4,814)	3,063	10,610	407
	(530,212)	(675,368)	(336,477)	(269,560)	115,934
Net increase in cash and cash equivalents	244	(788)	317	1,051	(713)
Beginning cash of pooling/acquisitions	-	-	-	-	-
Cash and cash equivalents at beginning of year	6,498	7,286	6,969	5,918	6,631
Cash and cash equivalents at end of year	\$ 6,742	\$ 6,498	\$ 7,286	\$ 6,969	\$ 5,918

# Historical Cash Flow Statements

(in thousands)

	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
Cash flows from operating activities:					
Net income	\$ 227,903	\$ 195,008	\$ 167,165	\$ 138,781	\$ 116,386
Depreciation and amortization	96,599	77,821	63,541	48,349	33,066
Deferred income taxes	20,241	(7,781)	6,082	(7,240)	(331)
Restructuring and impairment charges	-	-	-	-	-
Income tax benefit from exercise of options	16,200	-	-	-	-
Net change in accounts receivable and prepaid expenses	(15,260)	(5,009)	(7,564)	(6,091)	(1,236)
Net change in merchandise inventories	(47,285)	(153,552)	(158,673)	(61,687)	(73,996)
Net change in accounts payable and accrued expenses	127,683	66,155	94,916	64,666	57,348
Net change in income taxes payable	(22,230)	7,819	6,493	578	(4,477)
(Gain) loss on disposal of property plant and equipment	-	(16)	(735)	832	632
Net change in other assets and liabilities	(20,813)	(2,898)	2,930	1,880	885
Net cash provided by operating activities	383,038	177,547	174,155	180,068	128,277
Cash flows from investing activities:					
Capital expenditures	(337,202)	(297,467)	(288,182)	(258,060)	(172,975)
Acquisitions	(100,031)	-	-	-	-
Proceeds from sale of business	-	-	-	-	-
Proceeds from disposal of capital assets	-	2,066	8,680	1,364	1,237
Notes receivable from officers	-	-	-	-	-
Net cash used in investing activities	(437,233)	(295,401)	(279,502)	(256,696)	(171,738)
Cash flows from financing activities:					
Net change in commercial paper	305,000	-	-	-	-
Proceeds from issuance of debt	197,751	-	-	-	-
Repayment of debt	(164,350)	104,000	80,897	9,251	(206)
Repayment of subsidiary debt	(265,429)	-	-	-	-
Net proceeds from sale of common stock	11,492	14,618	17,699	17,552	14,078
Purchase of treasury stock	(28,746)	-	-	-	-
Settlement of interest rate hedge instruments	-	-	-	-	-
Other	173	-	-	-	1,300
	55,891	118,618	98,596	26,803	15,172
Net increase in cash and cash equivalents	1,696	764	(6,751)	(49,825)	(28,289)
Beginning cash of pooling/acquisitions	267	-	4,244	-	-
Cash and cash equivalents at beginning of year	4,668	3,904	6,411	56,236	84,525
Cash and cash equivalents at end of year	<u>\$ 6,631</u>	<u>\$ 4,668</u>	<u>\$ 3,904</u>	<u>\$ 6,411</u>	<u>\$ 56,236</u>

## Quarterly Summary - 2004, 2003

### Income Statement (in thousands, except per share data)

	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>
<b>Fiscal 2004</b>								
Net sales	\$1,282,040	\$1,159,236	\$1,360,022		100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>668,950</u>	<u>594,925</u>	<u>683,835</u>		52.2%	51.3%	50.3%	#DIV/0!
Gross profit	613,090	564,311	676,187		47.8%	48.7%	49.7%	#DIV/0!
Operating, selling, general, and								
administrative expenses	<u>397,986</u>	<u>395,785</u>	<u>424,866</u>		31.0%	34.1%	31.2%	#DIV/0!
Operating profit	215,104	168,526	251,321		16.8%	14.5%	18.5%	#DIV/0!
Interest income (expense)	<u>(20,260)</u>	<u>(21,922)</u>	<u>(21,910)</u>		(1.6%)	(1.9%)	(1.6%)	#DIV/0!
Income before income taxes	194,845	146,604	229,411		15.2%	12.6%	16.9%	#DIV/0!
Income taxes	<u>73,100</u>	<u>54,950</u>	<u>86,000</u>		5.7%	4.7%	6.3%	#DIV/0!
Net income	<u>\$ 121,745</u>	<u>\$ 91,654</u>	<u>\$ 143,411</u>		9.5%	7.9%	10.5%	#DIV/0!
Diluted weighted average shares outstanding	90,422	88,028	85,202					
Diluted earnings per share	<u>\$ 1.35</u>	<u>\$ 1.04</u>	<u>\$ 1.68</u>					
Sales increase over prior year	5.2%	3.4%	5.6%					
Operating profit increase	14.2%	14.3%	13.3%					
Net income increase (decrease)	16.0%	15.6%	13.8%					

### Income Statement (percent to sales)

	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>
<b>Fiscal 2004</b>								
<b>Excluding nonrecurring or infrequent items</b>								
Net sales	\$1,282,040	\$1,159,236	\$1,360,022		100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>706,570</u>	<u>624,533</u>	<u>728,812</u>		55.1%	53.9%	53.6%	#DIV/0!
Gross profit	575,470	534,703	631,210		44.9%	46.1%	46.4%	#DIV/0!
Operating, selling, general, and								
administrative expenses	<u>376,366</u>	<u>366,177</u>	<u>390,514</u>		29.4%	31.6%	28.7%	#DIV/0!
Operating profit	199,104	168,526	240,696		15.5%	14.5%	17.7%	#DIV/0!
Interest income (expense)	<u>(20,260)</u>	<u>(21,922)</u>	<u>(21,910)</u>		(1.6%)	(1.9%)	(1.6%)	#DIV/0!
Income before income taxes	178,844	146,604	218,786		13.9%	12.6%	16.1%	#DIV/0!
Income taxes	<u>67,100</u>	<u>54,950</u>	<u>82,017</u>		5.2%	4.7%	6.0%	#DIV/0!
Net income	<u>\$ 111,744</u>	<u>\$ 91,654</u>	<u>\$ 136,769</u>		8.7%	7.9%	10.1%	#DIV/0!
Diluted weighted average shares outstanding	90,422	88,028	85,202					
Diluted earnings per share	<u>\$ 1.24</u>	<u>\$ 1.04</u>	<u>\$ 1.61</u>					
Sales increase over prior year	5.2%	3.4%	5.6%					
Operating profit increase	5.7%	14.3%	9.5%					
Net income increase (decrease)	6.5%	15.6%	9.7%					

### Fiscal 2003

Net sales	\$1,218,635	\$1,120,696	\$1,288,445	\$1,829,347	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>669,245</u>	<u>624,697</u>	<u>689,622</u>	<u>958,550</u>	54.9%	55.7%	53.5%	52.4%
Gross profit	549,390	495,999	598,823	870,797	45.1%	44.3%	46.5%	47.6%
Operating, selling, general, and								
administrative expenses	<u>361,064</u>	<u>348,501</u>	<u>376,940</u>	<u>510,707</u>	29.6%	31.1%	29.3%	27.9%
Operating profit	188,326	147,498	221,883	360,090	15.5%	13.2%	17.2%	19.7%
Interest income (expense)	<u>(19,105)</u>	<u>(19,633)</u>	<u>(19,353)</u>	<u>(26,699)</u>	(1.6%)	(1.8%)	(1.5%)	(1.5%)
Income before income taxes	169,221	127,865	202,530	333,391	13.9%	11.4%	15.7%	18.2%
Income taxes	<u>64,310</u>	<u>48,590</u>	<u>76,553</u>	<u>125,950</u>	5.3%	4.3%	5.9%	6.9%
Net income	<u>\$ 104,911</u>	<u>\$ 79,275</u>	<u>\$ 125,977</u>	<u>\$ 207,441</u>	8.6%	7.1%	9.8%	11.3%
Diluted weighted average shares outstanding	101,206	100,393	96,811	91,320				
Diluted earnings per share	<u>\$ 1.04</u>	<u>\$ 0.79</u>	<u>\$ 1.30</u>	<u>\$ 2.27</u>				
Sales increase over prior year	3.6%	3.6%	5.2%	(0.8)%				
Operating profit increase	21.1%	21.7%	21.6%	15.4%				
Net income increase (decrease)	24.8%	24.3%	23.1%	16.5%				

### Fiscal 2003

<b>Excluding nonrecurring or infrequent items</b>								
Net sales	\$1,218,635	\$1,120,696	\$1,288,445	\$1,829,347	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>669,245</u>	<u>624,697</u>	<u>702,638</u>	<u>988,150</u>	54.9%	55.7%	54.5%	54.0%
Gross profit	549,390	495,999	585,807	841,197	45.1%	44.3%	45.5%	46.0%
Operating, selling, general, and								
administrative expenses	<u>361,064</u>	<u>348,501</u>	<u>366,040</u>	<u>478,307</u>	29.6%	31.1%	28.4%	26.1%
Operating profit	188,326	147,498	219,767	362,890	15.5%	13.2%	17.1%	19.8%
Interest income (expense)	<u>(19,105)</u>	<u>(19,633)</u>	<u>(19,353)</u>	<u>(26,699)</u>	(1.6%)	(1.8%)	(1.5%)	(1.5%)
Income before income taxes	169,221	127,865	200,414	336,191	13.9%	11.4%	15.6%	18.4%
Income taxes	<u>64,310</u>	<u>48,590</u>	<u>75,753</u>	<u>127,008</u>	5.3%	4.3%	5.9%	6.9%
Net income	<u>\$ 104,911</u>	<u>\$ 79,275</u>	<u>\$ 124,661</u>	<u>\$ 209,183</u>	8.6%	7.1%	9.7%	11.4%
Diluted weighted average shares outstanding	101,206	100,393	96,811	91,320				
Diluted earnings per share	<u>\$ 1.04</u>	<u>\$ 0.79</u>	<u>\$ 1.29</u>	<u>\$ 2.29</u>				
Sales increase over prior year	3.6%	3.6%	5.2%	5.5%				
Operating profit increase	21.1%	21.7%	20.5%	28.5%				
Net income increase (decrease)	24.8%	24.3%	21.8%	31.0%				



## Quarterly Summary - 2002 & 2001

### Income Statement (in thousands, except per share data)

### Income Statement (percent to sales)

#### Fiscal 2002

Net sales	\$ 1,176,052	\$ 1,081,311	\$ 1,224,810	\$ 1,843,337	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>659,916</u>	<u>606,411</u>	<u>682,826</u>	<u>1,000,970</u>	<u>56.1%</u>	<u>56.1%</u>	<u>55.7%</u>	<u>54.3%</u>
Gross profit	516,136	474,900	541,984	842,367	43.9%	43.9%	44.3%	45.7%
Operating, selling, general, and								
administrative expenses	<u>360,632</u>	<u>353,751</u>	<u>359,551</u>	<u>530,445</u>	<u>30.7%</u>	<u>32.7%</u>	<u>29.4%</u>	<u>28.8%</u>
Operating profit	155,504	121,149	182,433	311,922	13.2%	11.2%	14.9%	16.9%
Interest income (expense)	<u>(19,427)</u>	<u>(18,278)</u>	<u>(17,419)</u>	<u>(24,736)</u>	<u>(1.7%)</u>	<u>(1.7%)</u>	<u>(1.4%)</u>	<u>(1.3%)</u>
Income before income taxes	136,077	102,871	165,014	287,186	11.6%	9.5%	13.5%	15.6%
Income taxes	<u>52,000</u>	<u>39,100</u>	<u>62,700</u>	<u>109,200</u>	<u>4.4%</u>	<u>3.6%</u>	<u>5.1%</u>	<u>5.9%</u>
Net income	<u>\$ 84,077</u>	<u>\$ 63,771</u>	<u>\$ 102,314</u>	<u>\$ 177,986</u>	<u>7.1%</u>	<u>5.9%</u>	<u>8.4%</u>	<u>9.7%</u>
Diluted weighted average shares outstanding	110,605	109,797	106,644	102,827				
Diluted earnings per share	<u>\$ 0.76</u>	<u>\$ 0.58</u>	<u>\$ 0.96</u>	<u>\$ 1.73</u>				
Sales increase over prior year	10.6%	11.0%	7.4%	12.4%	Note: The Fourth Quarter of Fiscal 2002 included 17 weeks as			
Operating profit increase	40.4%	56.8%	42.7%	334.6%	compared to 16 weeks in the Fourth Quarter of Fiscal 2001.			
Net income increase (decrease)	56.3%	100.9%	61.1%	572.2%				

**First Second Third Fourth First Second Third Fourth**

#### Fiscal 2002

##### Excludes the 53rd week

Net sales	\$ 1,176,052	\$ 1,081,311	\$ 1,224,810	\$ 1,734,258	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>659,916</u>	<u>606,411</u>	<u>682,826</u>	<u>942,282</u>	<u>56.1%</u>	<u>56.1%</u>	<u>55.7%</u>	<u>54.3%</u>
Gross profit	516,136	474,900	541,984	791,976	43.9%	43.9%	44.3%	45.7%
Operating, selling, general, and								
administrative expenses	<u>360,632</u>	<u>353,751</u>	<u>359,551</u>	<u>509,534</u>	<u>30.7%</u>	<u>32.7%</u>	<u>29.4%</u>	<u>29.4%</u>
Operating profit	155,504	121,149	182,433	282,442	13.2%	11.2%	14.9%	16.3%
Interest income (expense)	<u>(19,427)</u>	<u>(18,278)</u>	<u>(17,419)</u>	<u>(24,736)</u>	<u>(1.7%)</u>	<u>(1.7%)</u>	<u>(1.4%)</u>	<u>(1.4%)</u>
Income before income taxes	136,077	102,871	165,014	257,706	11.6%	9.5%	13.5%	14.9%
Income taxes	<u>52,000</u>	<u>39,100</u>	<u>62,700</u>	<u>97,990</u>	<u>4.4%</u>	<u>3.6%</u>	<u>5.1%</u>	<u>5.7%</u>
Net income	<u>\$ 84,077</u>	<u>\$ 63,771</u>	<u>\$ 102,314</u>	<u>\$ 159,716</u>	<u>7.1%</u>	<u>5.9%</u>	<u>8.4%</u>	<u>9.2%</u>
Diluted weighted average shares outstanding	110,605	109,797	106,644	102,827				
Diluted earnings per share	<u>\$ 0.76</u>	<u>\$ 0.58</u>	<u>\$ 0.96</u>	<u>\$ 1.55</u>				
Sales increase over prior year	10.6%	11.0%	7.4%	5.7%				
Operating profit increase	40.4%	56.8%	37.1%	26.4%				
Net income increase (decrease)	56.3%	100.9%	48.9%	36.4%				

#### Fiscal 2001

Net sales	\$ 1,063,566	\$ 973,999	\$ 1,139,957	\$ 1,640,663	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>618,001</u>	<u>576,666</u>	<u>657,379</u>	<u>952,850</u>	<u>58.1%</u>	<u>59.2%</u>	<u>57.7%</u>	<u>58.1%</u>
Gross profit	445,565	397,333	482,578	687,813	41.9%	40.8%	42.3%	41.9%
Operating, selling, general, and								
administrative expenses	<u>334,797</u>	<u>320,053</u>	<u>349,512</u>	<u>494,547</u>	<u>31.5%</u>	<u>32.9%</u>	<u>30.7%</u>	<u>30.1%</u>
Restructuring and impairment								
charges	<u>-</u>	<u>-</u>	<u>5,200</u>	<u>121,489</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.5%</u>	<u>7.4%</u>
Operating profit	110,768	77,280	127,866	71,777	10.4%	7.9%	11.2%	4.4%
Interest income (expense)	<u>(22,980)</u>	<u>(25,544)</u>	<u>(23,841)</u>	<u>(28,300)</u>	<u>(2.2%)</u>	<u>(2.6%)</u>	<u>(2.1%)</u>	<u>(1.7%)</u>
Income before income taxes	87,788	51,736	104,025	43,477	8.3%	5.3%	9.1%	2.6%
Income taxes	<u>34,000</u>	<u>20,000</u>	<u>40,500</u>	<u>17,000</u>	<u>3.2%</u>	<u>2.1%</u>	<u>3.6%</u>	<u>1.0%</u>
Net income	<u>\$ 53,788</u>	<u>\$ 31,736</u>	<u>\$ 63,525</u>	<u>\$ 26,477</u>	<u>5.1%</u>	<u>3.3%</u>	<u>5.6%</u>	<u>1.6%</u>
Diluted weighted average shares outstanding	117,050	114,496	113,037	111,415				
Diluted earnings per share	<u>\$ 0.46</u>	<u>\$ 0.28</u>	<u>\$ 0.56</u>	<u>\$ 0.24</u>				
Sales increase over prior year	5.7%	5.4%	7.6%	9.9%				
Operating profit increase	4.7%	(3.4)%	0.9%	(64.0)%				
Net income increase (decrease)	(4.0)%	(18.8)%	(5.6)%	(74.8)%				

#### Fiscal 2001

##### (excludes restructuring and impairment charges)

Net sales	\$ 1,063,566	\$ 973,999	\$ 1,139,957	\$ 1,640,663	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>618,001</u>	<u>576,666</u>	<u>657,379</u>	<u>922,717</u>	<u>58.1%</u>	<u>59.2%</u>	<u>57.7%</u>	<u>56.2%</u>
Gross profit	445,565	397,333	482,578	717,946	41.9%	40.8%	42.3%	43.8%
Operating, selling, general, and								
administrative expenses	<u>334,797</u>	<u>320,053</u>	<u>349,512</u>	<u>494,547</u>	<u>31.5%</u>	<u>32.9%</u>	<u>30.7%</u>	<u>30.1%</u>
Restructuring and impairment								
charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Operating profit	110,768	77,280	133,066	223,399	10.4%	7.9%	11.7%	13.6%
Interest income (expense)	<u>(22,980)</u>	<u>(25,544)</u>	<u>(23,841)</u>	<u>(28,300)</u>	<u>(2.2%)</u>	<u>(2.6%)</u>	<u>(2.1%)</u>	<u>(1.7%)</u>
Income before income taxes	87,788	51,736	109,225	195,099	8.3%	5.3%	9.6%	11.9%
Income taxes	<u>34,000</u>	<u>20,000</u>	<u>40,500</u>	<u>78,000</u>	<u>3.2%</u>	<u>2.1%</u>	<u>3.6%</u>	<u>4.8%</u>
Net income	<u>\$ 53,788</u>	<u>\$ 31,736</u>	<u>\$ 68,725</u>	<u>\$ 117,099</u>	<u>5.1%</u>	<u>3.3%</u>	<u>6.0%</u>	<u>7.1%</u>
Diluted weighted average shares outstanding	117,050	114,496	113,037	111,415				
Diluted earnings per share	<u>\$ 0.46</u>	<u>\$ 0.28</u>	<u>\$ 0.61</u>	<u>\$ 1.05</u>				
Sales increase over prior year	5.7%	5.4%	7.6%	9.9%				
Operating profit increase	4.7%	(3.4)%	5.0%	11.9%				
Net income increase (decrease)	(4.0)%	(18.8)%	2.2%	11.3%				

## Quarterly Summary - 2000, 1999 & 1998

### Income Statement (in thousands, except per share data)

### Income Statement (percent to sales)

	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>
<b>Fiscal 2000</b>								
Net sales	\$ 1,006,472	\$ 924,164	\$ 1,059,415	\$ 1,492,645	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>584,956</u>	<u>535,737</u>	<u>609,497</u>	<u>872,196</u>	<u>58.1%</u>	<u>58.0%</u>	<u>57.5%</u>	<u>58.4%</u>
Gross profit	421,516	388,427	449,918	620,449	41.9%	42.0%	42.5%	41.6%
Operating, selling, general, and								
administrative expenses	<u>315,768</u>	<u>308,414</u>	<u>323,234</u>	<u>420,874</u>	<u>31.4%</u>	<u>33.4%</u>	<u>30.5%</u>	<u>28.2%</u>
Operating profit	105,748	80,013	126,684	199,575	10.5%	8.7%	12.0%	13.4%
Interest income (expense)	<u>(14,604)</u>	<u>(16,452)</u>	<u>(17,419)</u>	<u>(28,355)</u>	<u>(1.5%)</u>	<u>(1.8%)</u>	<u>(1.6%)</u>	<u>(1.9%)</u>
Income before income taxes	91,144	63,561	109,265	171,220	9.1%	6.9%	10.3%	11.5%
Income taxes	<u>35,100</u>	<u>24,500</u>	<u>42,000</u>	<u>66,000</u>	<u>3.5%</u>	<u>2.7%</u>	<u>4.0%</u>	<u>4.4%</u>
Net income	<u>\$ 56,044</u>	<u>\$ 39,061</u>	<u>\$ 67,265</u>	<u>\$ 105,220</u>	<u>5.6%</u>	<u>4.2%</u>	<u>6.3%</u>	<u>7.0%</u>
Diluted weighted average shares outstanding	140,056	139,085	134,424	124,900				
Diluted earnings per share	<u>\$ 0.40</u>	<u>\$ 0.28</u>	<u>\$ 0.50</u>	<u>\$ 0.84</u>				
Sales increase over prior year	11.7%	8.4%	9.2%	7.2%				
Operating profit increase	17.7%	18.9%	21.4%	16.2%				
Net income increase	9.2%	8.4%	14.5%	6.6%				
<b>Fiscal 1999</b>								
Net sales	\$ 900,949	\$ 852,538	\$ 970,236	\$ 1,392,669	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>524,467</u>	<u>499,045</u>	<u>561,303</u>	<u>800,155</u>	<u>58.2%</u>	<u>58.5%</u>	<u>57.9%</u>	<u>57.5%</u>
Gross profit	376,482	353,493	408,933	592,514	41.8%	41.5%	42.1%	42.5%
Operating, selling, general, and								
administrative expenses	<u>286,667</u>	<u>286,220</u>	<u>304,621</u>	<u>420,819</u>	<u>31.8%</u>	<u>33.6%</u>	<u>31.4%</u>	<u>30.2%</u>
Operating profit	89,815	67,273	104,312	171,695	10.0%	7.9%	10.8%	12.3%
Interest income (expense)	<u>(8,515)</u>	<u>(10,234)</u>	<u>(11,177)</u>	<u>(15,386)</u>	<u>(0.9%)</u>	<u>(1.2%)</u>	<u>(1.2%)</u>	<u>(1.1%)</u>
Income before income taxes	81,300	57,039	93,135	156,309	9.0%	6.7%	9.6%	11.2%
Income taxes	<u>30,000</u>	<u>21,000</u>	<u>34,400</u>	<u>57,600</u>	<u>3.3%</u>	<u>2.5%</u>	<u>3.5%</u>	<u>4.1%</u>
Net income	<u>\$ 51,300</u>	<u>\$ 36,039</u>	<u>\$ 58,735</u>	<u>\$ 98,709</u>	<u>5.7%</u>	<u>4.2%</u>	<u>6.1%</u>	<u>7.1%</u>
Diluted weighted average shares outstanding	151,568	151,669	150,529	147,859				
Diluted earnings per share	<u>\$ 0.34</u>	<u>\$ 0.24</u>	<u>\$ 0.39</u>	<u>\$ 0.67</u>				
Sales increase over prior year	33.4%	40.4%	30.5%	14.4%				
Operating profit increase	14.2%	15.8%	15.3%	10.7%				
Net income increase	7.9%	4.9%	8.9%	7.2%				
<b>Fiscal 1998</b>								
Net sales	\$ 675,274	\$ 607,097	\$ 743,661	\$ 1,216,890	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>394,833</u>	<u>353,416</u>	<u>432,581</u>	<u>709,017</u>	<u>58.5%</u>	<u>58.2%</u>	<u>58.2%</u>	<u>58.3%</u>
Gross profit	280,441	253,681	311,080	507,873	41.5%	41.8%	41.8%	41.7%
Operating, selling, general, and								
administrative expenses	<u>201,793</u>	<u>195,599</u>	<u>220,623</u>	<u>352,753</u>	<u>29.9%</u>	<u>32.2%</u>	<u>29.7%</u>	<u>29.0%</u>
Operating profit	78,648	58,082	90,457	155,120	11.6%	9.6%	12.2%	12.7%
Interest income (expense)	<u>(2,502)</u>	<u>(3,028)</u>	<u>(4,217)</u>	<u>(8,457)</u>	<u>(0.4%)</u>	<u>(0.5%)</u>	<u>(0.6%)</u>	<u>(0.7%)</u>
Income before income taxes	76,146	55,054	86,240	146,663	11.3%	9.1%	11.6%	12.1%
Income taxes	<u>28,600</u>	<u>20,700</u>	<u>32,300</u>	<u>54,600</u>	<u>4.2%</u>	<u>3.4%</u>	<u>4.3%</u>	<u>4.5%</u>
Net income	<u>\$ 47,546</u>	<u>\$ 34,354</u>	<u>\$ 53,940</u>	<u>\$ 92,063</u>	<u>7.0%</u>	<u>5.7%</u>	<u>7.3%</u>	<u>7.6%</u>
Diluted weighted average shares outstanding	153,823	153,701	154,324	154,432				
Diluted earnings per share	<u>\$ 0.31</u>	<u>\$ 0.22</u>	<u>\$ 0.35</u>	<u>\$ 0.60</u>				
Sales increase over prior year	18.6%	12.8%	16.6%	28.6%				
Operating profit increase	27.1%	18.0%	17.8%	16.2%				
Net income increase	25.2%	16.8%	17.0%	12.9%				

### **Quarterly Summary - 1997, 1996 & 1995**

**Income Statement (in thousands, except per share data)**

**Income Statement (percent to sales)**

	First	Second	Third	Fourth	First	Second	Third	Fourth
<b><u>Fiscal 1997</u></b>								
Net sales	\$ 569,145	\$ 538,012	\$ 637,895	\$ 946,388	100.0%	100.0%	100.0%	100.0%
Cost of sales, including warehouse and delivery expenses	<u>328,847</u>	<u>311,056</u>	<u>368,920</u>	<u>550,473</u>	<u>57.8%</u>	<u>57.8%</u>	<u>57.8%</u>	<u>58.2%</u>
Gross profit	240,298	226,956	268,975	395,915	42.2%	42.2%	42.2%	41.8%
Operating, selling, general, and administrative expenses	<u>178,400</u>	<u>177,739</u>	<u>192,200</u>	<u>262,454</u>	<u>31.3%</u>	<u>33.0%</u>	<u>30.1%</u>	<u>27.7%</u>
Operating profit	61,898	49,217	76,775	133,461	10.9%	9.1%	12.0%	14.1%
Interest income (expense)	<u>(1,173)</u>	<u>(2,110)</u>	<u>(2,672)</u>	<u>(2,888)</u>	<u>(0.2%)</u>	<u>(0.3%)</u>	<u>(0.4%)</u>	<u>(0.3%)</u>
Income before income taxes	60,725	47,107	74,103	130,573	10.7%	8.8%	11.6%	13.8%
Income taxes	<u>22,750</u>	<u>17,700</u>	<u>28,000</u>	<u>49,050</u>	<u>4.0%</u>	<u>3.3%</u>	<u>4.4%</u>	<u>5.2%</u>
Net income	<u>\$ 37,975</u>	<u>\$ 29,407</u>	<u>\$ 46,103</u>	<u>\$ 81,523</u>	<u>6.7%</u>	<u>5.5%</u>	<u>7.2%</u>	<u>8.6%</u>
Diluted earnings per share	<u>\$ 0.25</u>	<u>\$ 0.19</u>	<u>\$ 0.30</u>	<u>\$ 0.53</u>				
Sales increase over prior year	22.9%	26.3%	21.7%	14.1%				
Operating profit increase	11.7%	13.3%	27.0%	21.7%				
Net income increase	9.1%	7.6%	22.6%	20.9%				

## Fiscal 1996

<b> Fiscal 1996</b>								
Net sales	\$ 463,029	\$ 425,838	\$ 524,175	\$ 829,591	100.0%	100.0%	100.0%	100.0%
Cost of sales, including								
warehouse and delivery expenses	<u>269,809</u>	<u>249,805</u>	<u>308,644</u>	<u>479,380</u>	<u>58.3%</u>	<u>58.7%</u>	<u>58.9%</u>	<u>57.8%</u>
Gross profit	193,220	176,033	215,531	350,211	41.7%	41.3%	41.1%	42.2%
Operating, selling, general, and								
administrative expenses	<u>137,823</u>	<u>132,609</u>	<u>155,099</u>	<u>240,530</u>	<u>29.8%</u>	<u>31.1%</u>	<u>29.6%</u>	<u>29.0%</u>
Operating profit	55,397	43,424	60,432	109,681	12.0%	10.2%	11.5%	13.2%
Interest income (expense)	<u>-</u>	<u>-</u>	<u>(727)</u>	<u>(1,242)</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>0.1%</u>
Income before income taxes	55,397	43,424	59,705	108,439	12.0%	10.2%	11.4%	13.1%
Income taxes	<u>20,600</u>	<u>16,100</u>	<u>22,100</u>	<u>41,000</u>	<u>4.4%</u>	<u>3.8%</u>	<u>4.2%</u>	<u>5.0%</u>
Net income	\$ 34,797	\$ 27,324	\$ 37,605	\$ 67,439	7.5%	6.4%	7.2%	8.1%

Note: The Fourth Quarter of Fiscal 1996 included 17 weeks as

Diluted earnings per share	\$ 0.23	\$ 0.18	\$ 0.25	\$ 0.44
Sales increase over prior year	18.8%	17.0%	23.2%	31.9%
Operating profit increase	22.0%	10.8%	13.8%	22.0%
Net income increase	25.9%	14.6%	16.0%	22.8%

**Fiscal 1995**

Net sales	\$ 389,763	\$ 364,061	\$ 425,483	\$ 628,824	100.0%	100.0%	100.0%	100.0%
Cost of sales, including warehouse and delivery expenses	<u>230,945</u>	<u>214,981</u>	<u>248,392</u>	<u>362,715</u>	<u>59.3%</u>	<u>59.1%</u>	<u>58.4%</u>	<u>57.7%</u>
Gross profit	158,818	149,080	177,091	266,109	40.7%	40.9%	41.6%	42.3%
Operating, selling, general, and administrative expenses	<u>113,410</u>	<u>109,879</u>	<u>123,977</u>	<u>176,174</u>	<u>29.1%</u>	<u>30.2%</u>	<u>29.1%</u>	<u>28.0%</u>
Operating profit	45,408	39,201	53,114	89,935	11.7%	10.8%	12.5%	14.3%
Interest income (expense)	<u>426</u>	<u>197</u>	<u>-</u>	<u>-</u>	<u>0.1%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Income before income taxes	45,834	39,398	53,114	89,935	11.8%	10.8%	12.5%	14.3%
Income taxes	<u>18,200</u>	<u>15,562</u>	<u>20,700</u>	<u>35,038</u>	<u>4.7%</u>	<u>4.3%</u>	<u>4.9%</u>	<u>5.6%</u>
Net income	<u>\$ 27,634</u>	<u>\$ 23,836</u>	<u>\$ 32,414</u>	<u>\$ 54,897</u>	<u>7.1%</u>	<u>6.5%</u>	<u>7.6%</u>	<u>8.7%</u>

Diluted earnings per share	\$ 0.19	\$ 0.16	\$ 0.22	\$ 0.37
Sales increase over prior year	20.7%	20.1%	18.8%	20.0%
Operating profit increase	26.9%	14.5%	14.2%	21.2%
Net income increase	25.5%	13.9%	14.9%	21.4%

## Quarterly Summary - 1994

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### Income Statement (in thousands, except per share data)

### Income Statement (percent to sales)

	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>
<b>Fiscal 1994</b>								
Net sales	\$ 322,846	\$ 303,203	\$ 358,159	\$ 523,821	100.0%	100.0%	100.0%	100.0%
Cost of sales, including warehouse and delivery expenses	<u>191,736</u>	<u>179,088</u>	<u>211,638</u>	<u>303,606</u>	<u>59.4%</u>	<u>59.1%</u>	<u>59.1%</u>	<u>58.0%</u>
Gross profit	131,110	124,115	146,521	220,215	40.6%	40.9%	40.9%	42.0%
Operating, selling, general, and administrative expenses	<u>95,316</u>	<u>89,876</u>	<u>100,009</u>	<u>146,018</u>	<u>29.5%</u>	<u>29.6%</u>	<u>27.9%</u>	<u>27.9%</u>
Operating profit	35,794	34,239	46,512	74,197	11.1%	11.3%	13.0%	14.2%
Interest income (expense)	<u>826</u>	<u>496</u>	<u>296</u>	<u>626</u>	<u>0.3%</u>	<u>0.2%</u>	<u>0.1%</u>	<u>0.1%</u>
Income before income taxes	36,620	34,735	46,808	74,823	11.3%	11.5%	13.1%	14.3%
Income taxes	<u>14,600</u>	<u>13,800</u>	<u>18,600</u>	<u>29,600</u>	<u>4.5%</u>	<u>4.6%</u>	<u>5.2%</u>	<u>5.7%</u>
Net income	<u>\$ 22,020</u>	<u>\$ 20,935</u>	<u>\$ 28,208</u>	<u>\$ 45,223</u>	<u>6.8%</u>	<u>6.9%</u>	<u>7.9%</u>	<u>8.6%</u>
Diluted earnings per share	<u>\$ 0.15</u>	<u>\$ 0.14</u>	<u>\$ 0.19</u>	<u>\$ 0.30</u>				
Sales increase over prior year	27.9%	25.1%	26.6%	19.3%				
Operating profit increase	28.7%	35.7%	46.2%	32.7%				
Net income increase	28.6%	30.6%	42.1%	33.3%				

## Quarterly Statistics

	First	Second	Third	Fourth	Year
<b>Sales (in thousands)</b>					
2004	\$1,282,040	\$1,159,236	\$1,360,022		3,801,298
2003	\$1,218,635	\$1,120,696	\$1,288,445	\$1,829,347	5,457,123
2002	1,176,052	1,081,311	1,224,810	1,843,337	5,325,510
2001	1,063,566	973,999	1,139,957	1,640,663	4,818,185
2000	1,006,472	924,164	1,059,415	1,492,645	4,482,696
1999	900,949	852,538	970,236	1,392,669	4,116,392
1998	675,274	607,097	743,661	1,216,890	3,242,922
1997	569,145	538,012	637,895	946,388	2,691,440
1996	463,029	425,838	524,175	829,591	2,242,633
1995	389,763	364,061	425,483	628,824	1,808,131
1994	322,846	303,203	358,159	523,821	1,508,029
<b>Sales Increase Over Prior Year</b>					
2004	5.2%	3.4%	5.6%		4.8%
2003	3.6%	3.6%	5.2%	(0.8%)	2.5%
2002	10.6%	11.0%	7.4%	12.4%	10.5%
2001	5.7%	5.4%	7.6%	9.9%	7.5%
2000	11.7%	8.4%	9.2%	7.2%	8.9%
1999	33.4%	40.4%	30.5%	14.4%	26.9%
1998	18.6%	12.8%	16.6%	28.6%	20.5%
1997	22.9%	26.3%	21.7%	14.1%	20.0%
1996	18.8%	17.0%	23.2%	31.9%	24.0%
1995	20.7%	20.1%	18.8%	20.0%	19.9%
1994	27.9%	25.1%	26.6%	19.3%	23.9%
<b>Increase in Comparable Store Sales - Rolling 13 Periods</b>					
2004	2%	0%	2%		2%
2003	5%	2%	3%	3%	3%
2002	9%	12%	9%	7%	9%
2001	2%	2%	5%	8%	4%
2000	7%	4%	6%	3%	5%
1999	3%	9%	6%	5%	5%
1998	8%	2%	2%	1%	3%
1997	7%	10%	8%	10%	9%
1996	6%	4%	9%	8%	7%

# Quarterly Statistics

	First	Second	Third	Fourth	Year
<b>Net Earnings (in thousands)</b>					
2004	121,745	91,654	143,411		356,809
2003	104,911	79,275	125,977	207,441	517,604
2002	84,077	63,771	102,314	177,986	428,148
2001	53,788	31,736	63,525	26,477	175,526
2000	56,044	39,061	67,265	105,220	267,590
1999	51,300	36,039	58,735	98,709	244,783
1998	47,546	34,354	53,940	92,063	227,903
1997	37,975	29,407	46,103	81,523	195,008
1996	34,797	27,324	37,605	67,439	167,165
1995	27,634	23,836	32,414	54,897	138,781
1994	22,020	20,935	28,208	45,223	116,386
<b>Net Earnings Percent to Sales</b>					
2004	9.5%	7.9%	10.5%		9.4%
2003	8.6%	7.1%	9.8%	11.3%	9.5%
2002	7.1%	5.9%	8.4%	9.7%	8.0%
2001	5.1%	3.3%	5.6%	1.6%	3.6%
2000	5.6%	4.2%	6.3%	7.0%	6.0%
1999	5.7%	4.2%	6.1%	7.1%	5.9%
1998	7.0%	5.7%	7.3%	7.6%	7.0%
1997	6.7%	5.5%	7.2%	8.6%	7.2%
1996	7.5%	6.4%	7.2%	8.1%	7.5%
1995	7.1%	6.5%	7.6%	8.7%	7.7%
1994	6.8%	6.9%	7.9%	8.6%	7.7%
<b>Diluted Earnings per Share</b>					
2004	1.35	1.04	1.68		4.06
2003	1.04	0.79	1.30	2.27	5.34
2002	0.76	0.58	0.96	1.73	4.00
2001	0.46	0.28	0.56	0.24	1.54
2000	0.40	0.28	0.50	0.84	2.00
1999	0.34	0.24	0.39	0.67	1.63
1998	0.31	0.22	0.35	0.60	1.48
1997	0.25	0.19	0.30	0.53	1.28
1996	0.23	0.18	0.25	0.44	1.11
1995	0.19	0.16	0.22	0.37	0.93
1994**	0.15	0.14	0.19	0.30	0.78
<b>Gross Margin</b>					
2004	47.8%	48.7%	49.7%		48.8%
2003	45.1%	44.3%	46.5%	47.6%	46.1%
2002	43.9%	43.9%	44.3%	45.7%	44.6%
2001	41.9%	40.8%	42.3%	41.9%	41.8%
2000	41.9%	42.0%	42.5%	41.6%	41.9%
1999	41.8%	41.5%	42.1%	42.5%	42.1%
1998	41.5%	41.8%	41.8%	41.7%	41.7%
1997	42.2%	42.2%	42.2%	41.8%	42.0%
1996	41.7%	41.3%	41.1%	42.2%	41.7%
1995	40.7%	40.9%	41.6%	42.3%	41.5%
1994	40.6%	40.9%	40.9%	42.0%	41.2%

**\*\* EPS Adjusted for a two-for-one stock split paid January 31, 1992 and a two-for-one stock split paid April 20, 1994.**

# Quarterly Statistics

	First	Second	Third	Fourth	Year
<b>Operating Expenses Percent to Sales</b>					
2004	31.0%	34.1%	31.2%		32.1%
2003	29.6%	31.1%	29.3%	27.9%	29.3%
2002	30.7%	32.7%	29.4%	28.8%	30.1%
2001	31.5%	32.9%	31.1%	37.5%	33.7%
2000	31.4%	33.4%	30.5%	28.2%	30.5%
1999	31.8%	33.6%	31.4%	30.2%	31.5%
1998	29.9%	32.2%	29.7%	29.0%	29.9%
1997	31.3%	33.0%	30.1%	27.7%	30.1%
1996	29.8%	31.1%	29.6%	29.0%	29.7%
1995	29.1%	30.2%	29.1%	28.0%	28.9%
1994	29.5%	29.6%	27.9%	27.9%	28.6%
<b>Operating Profit Percent to Sales</b>					
2004	16.8%	14.5%	18.5%		16.7%
2003	15.5%	13.2%	17.2%	19.7%	16.8%
2002	13.2%	11.2%	14.9%	16.9%	14.5%
2001	10.4%	7.9%	11.2%	4.4%	8.0%
2000	10.5%	8.7%	12.0%	13.4%	11.4%
1999	10.0%	7.9%	10.8%	12.3%	10.5%
1998	11.6%	9.6%	12.2%	12.7%	11.8%
1997	10.9%	9.1%	12.0%	14.1%	11.9%
1996	12.0%	10.2%	11.5%	13.2%	12.0%
1995	11.7%	10.8%	12.5%	14.3%	12.6%
1994	11.1%	11.3%	13.0%	14.2%	12.6%
<b>Net Domestic Auto Parts Stores Opened /Acquired</b>					
2004	40	40	38		118
2003	30	24	30	67	151
2002	(20)	38	15	16	49
2001	41	16	22	25	104
2000	85	41	17	61	204
1999*	(34)	77	(5)	16	54
1998	44	52	177	656	929
1997	54	39	62	150	305
1996	50	58	47	125	280
1995	38	49	39	84	210
1994	31	34	22	63	150
1993	13	8	24	60	105
<b>Total Domestic Auto Parts Stores</b>					
2004	3,259	3,299	3,337		3,337
2003	3,098	3,122	3,152	3,219	3,219
2002	2,999	3,037	3,052	3,068	3,068
2001	2,956	2,972	2,994	3,019	3,019
2000	2,796	2,837	2,854	2,915	2,915
1999*	2,623	2,700	2,695	2,711	2,711
1998	1,772	1,824	2,001	2,657	2,657
1997	1,477	1,516	1,578	1,728	1,728
1996	1,193	1,251	1,298	1,423	1,423
1995	971	1,020	1,059	1,143	1,143
1994	814	848	870	933	933
1993	691	699	723	783	783

\*In FY99 we opened 245 new stores and closed 191 stores (including 177 Chief stores)

## Quarterly Statistics

	First	Second	Third	Fourth	Year
<b>Total Domestic Auto Parts Store Square Footage (in thousands)</b>					
2004	20,719	20,944	21,171		21,171
2003	19,852	19,986	20,148	20,500	20,500
2002	19,272	19,505	19,596	19,683	19,683
2001	18,962	19,063	19,213	19,377	19,377
2000	17,935	18,169	18,269	18,719	18,719
1999	16,520	17,087	17,255	17,405	17,405
1998	11,926	12,293	13,457	16,499	16,499
1997	9,813	10,090	10,525	11,611	11,611
1996	7,835	8,253	8,583	9,437	9,437
1995	6,217	6,557	6,832	7,480	7,480
1994	5,084	5,323	5,472	5,949	5,949
<b>Average Domestic Auto Parts Store Square Footage</b>					
2004	6,357	6,349	6,344		6,344
2003	6,408	6,402	6,392	6,368	6,368
2002	6,426	6,422	6,421	6,416	6,416
2001	6,415	6,414	6,417	6,418	6,418
2000	6,415	6,404	6,401	6,422	6,422
1999	6,298	6,329	6,403	6,420	6,420
1998	6,730	6,739	6,725	6,210	6,210
1997	6,644	6,656	6,670	6,719	6,719
1996	6,567	6,597	6,612	6,632	6,632
1995	6,403	6,428	6,451	6,547	6,547
1994	6,246	6,277	6,290	6,376	6,376
<b>Sales per Average Auto Parts Store (in thousands)</b>					
2004	385	342	398		1,125
2003	385	349	400	559	1,689
2002	371	345	393	588	1,693
2001	345	311	362	519	1,543
2000	349	312	354	493	1,517
1999	326	306	343	493	1,465
1998	383	338	385	491	1,568
1997	389	355	408	567	1,691
1996	396	348	411	568	1,702
1995	409	366	409	571	1,742
1994	404	365	417	581	1,758
<b>Sales per Average Square Foot</b>					
2004	60	54	63		177
2003	60	55	63	88	264
2002	58	54	61	92	264
2001	54	48	56	81	240
2000	54	49	55	77	236
1999	52	48	54	77	232
1998	57	50	57	77	238
1997	59	53	61	85	253
1996	60	53	62	86	258
1995	64	57	64	88	269
1994	65	58	66	92	280



# Quarterly Statistics

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	First	Second	Third	Fourth	Year
<b>Commercial Store Count</b>					
2004	1,986	2,048	2,199		2,199
2003	2,001	1,954	1,942	1,941	1,941
2002	1,633	1,643	1,652	2,009	2,009
2001	1,481	1,484	1,492	1,630	1,630
2000	1,386	1,389	1,380	1,486	1,486
1999	1,370	1,349	1,354	1,377	1,377
1998	1,282	1,275	1,323	1,385	1,385
1997	1,436	1,275	1,256	1,265	1,265
<b>Total Mexico Auto Parts Store Count</b>					
2004	50	55	60		60
2003	40	41	43	49	49
2002	22	23	27	39	39
2001	13	13	16	21	21
2000	8	11	13	13	13
<b>Heavy Duty Truck Parts Store Count</b>					
2004	-	-	-		-
2003	-	-	-	-	-
2002	49	-	-	-	-
2001	49	49	49	49	49
2000	46	47	48	49	49
1999	43	43	43	46	46

## Historical Trend - Store Growth

### AutoZone Stores by State

	Net										Total	
	Additions										Total	
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2004
Alabama	49	60	74	77	79	82	83	83	83	84	-	84
Arizona	46	47	52	64	70	74	75	75	76	81	5	86
Arkansas	29	33	37	39	46	46	47	48	50	52	-	52
California				8	436	374	389	393	383	387	15	402
Colorado	20	21	24	32	37	38	39	39	41	45	4	49
Connecticut					20	20	21	22	21	24	1	25
Delaware					3	4	6	8	8	8	-	8
District of Columbia					1	6	6	6	6	6	-	6
Florida	34	35	61	82	116	132	143	148	149	154	4	158
Georgia	58	72	87	96	100	100	101	101	101	106	9	115
Idaho									6	10	2	12
Illinois	32	36	43	56	81	103	127	134	145	155	9	164
Indiana	41	54	66	85	93	96	101	102	102	105	3	108
Iowa				10	13	22	29	31	22	22	-	22
Kansas		1	7	31	43	41	43	43	37	37	-	37
Kentucky	29	31	42	48	53	55	56	57	59	59	6	65
Louisiana	58	62	68	70	73	78	83	89	89	90	-	90
Maine							3	5	5	6	-	6
Maryland				1	9	14	21	26	30	32	-	32
Massachusetts					52	52	53	53	53	55	7	62
Michigan	9	9	9	27	63	83	104	117	120	124	2	126
Minnesota									9	18	2	20
Mississippi	35	45	58	61	62	66	67	67	67	67	3	70
Missouri	30	40	56	72	80	80	82	84	80	79	1	80
Montana										1	-	1
Nebraska							8	9	9	9	-	9
Nevada				1	34	26	28	31	32	32	3	35
New Hampshire					10	10	11	11	12	14	1	15
New Jersey						9	9	12	15	22	3	25
New Mexico	19	20	22	23	24	24	29	29	30	31	-	31
New York				11	42	69	85	88	87	98	2	100
North Carolina	51	59	79	87	92	94	97	101	104	108	6	114
North Dakota										2	-	2
Ohio	54	95	138	166	174	179	181	184	186	191	3	194
Oklahoma	36	47	56	60	62	62	63	63	62	66	-	66
Oregon							2	14	16	18	-	18
Pennsylvania			10	28	41	60	70	76	80	84	-	84
Rhode Island					12	13	13	14	14	15	-	15
South Carolina	24	35	41	49	50	51	51	52	53	53	5	58
South Dakota										1	-	1
Tennessee	79	87	102	106	110	109	111	112	113	120	1	121
Texas	173	211	239	264	382	335	348	352	361	374	15	389
Utah	11	15	15	19	20	20	21	24	25	25	1	26
Vermont					1	1	1	1	-	1	-	1
Virginia	10	18	23	34	41	49	53	55	62	70	-	70
Washington									1	9	5	14
West Virginia	4	8	12	13	14	14	15	16	18	21	-	21
Wisconsin	1	1	1	5	15	17	35	39	41	43	-	43
Wyoming	1	1	1	3	3	3	5	5	5	5	-	5
Total	933	1,143	1,423	1,728	2,657	2,711	2,915	3,019	3,068	3,219	118	3,337

## Store Development

### Stores Opened, Replaced, and Closed

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
Beginning Stores	3,219	3,068	3,019	2,915	2,711	2,657	1,728	1,423	1,143	933
New Stores	118	160	102	107	208	167	275	308	280	210
Stores Acquired, net of closings	-	-	-	-	-	78	654	-	-	-
Closed Stores	-	(9)	(53)	(3)	(4)	(191)	-	(3)	-	-
Ending Stores	<u>3,337</u>	<u>3,219</u>	<u>3,068</u>	<u>3,019</u>	<u>2,915</u>	<u>2,711</u>	<u>2,657</u>	<u>1,728</u>	<u>1,423</u>	<u>1,143</u>
Replaced Stores*	<u>2</u>	<u>6</u>	<u>15</u>	<u>16</u>	<u>30</u>	<u>59</u>	<u>12</u>	<u>17</u>	<u>31</u>	<u>29</u>

\*Replaced Stores are either relocations or conversions of existing smaller stores to larger formats. 1999 includes 18 stores replaced by acquired Pep Express locations.

### Average Cost to Build a Store

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Land	\$ 442,000	\$ 409,000	\$ 414,000	\$ 456,000	\$ 377,100
Building	559,000	545,000	546,000	607,000	594,800
Equipment, etc.	<u>80,000</u>	<u>127,000</u>	<u>127,000</u>	<u>127,000</u>	<u>125,600</u>
Total Cost	<u>\$1,081,000</u>	<u>\$1,081,000</u>	<u>\$1,087,000</u>	<u>\$1,190,000</u>	<u>\$1,097,500</u>

### Stores Owned vs. Leased

	<u>2004</u>		<u>2003</u>	
	<u>Stores</u>	<u>%</u>	<u>Stores</u>	<u>%</u>
Leased stores	1,426	43%	1,329	41%
Owned stores	<u>1,911</u>	<u>57%</u>	<u>1,890</u>	<u>59%</u>
	<u>3,337</u>	<u>100%</u>	<u>3,219</u>	<u>100%</u>