

AUTOZONE INC  
Form 424B5  
June 02, 2003

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PROSPECTUS SUPPLEMENT  
(To Prospectus Dated October 10, 2002)

As Filed Pursuant to Rule 424(b)(5)  
Under the Securities Act of 1933  
Registration No. 333-100205

**\$200,000,000**

**AutoZone, Inc.**

**4.375% Senior Notes due 2013**

The notes will bear interest at the rate of 4.375% per year. Interest on the notes is payable on June 1 and December 1 of each year, beginning on December 1, 2003. The notes will mature on June 1, 2013. We may redeem some or all the notes at any time. The redemption prices are set forth under the caption Description of Notes Optional Redemption.

The notes will be senior obligations of our company and will rank equally with all of our other unsecured senior indebtedness.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

**Investing in the notes involves risks. See Risk Factors beginning on page 4 of the accompanying prospectus.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	<b>Per Senior Note</b>	<b>Total</b>
Public Offering Price	99.17%	\$ 198,340,000
Underwriting Discount	0.65%	\$ 1,300,000
Proceeds to AutoZone, Inc. (before expenses)	98.52%	\$ 197,040,000

Interest on the notes will accrue from June 3, 2003 to date of delivery.

The underwriters expect to deliver the notes to purchasers on or about June 3, 2003.

*Sole Bookrunning and*  
**Joint Lead Manager**  
**Citigroup**

**Joint Lead Manager**  
**SunTrust Robinson Humphrey**

**Banc of America Securities LLC**

**Fleet Securities, Inc.**  
**JPMorgan**

**Merrill Lynch & Co.**  
**Wachovia Securities**

**Banc One Capital Markets, Inc.**  
**BNY Capital Markets, Inc.**  
**Fifth Third Securities, Inc.**  
**McDonald Investments Inc.**  
**NatCity Investments, Inc.**

**BNP PARIBAS**  
**Credit Lyonnais Securities (USA)**  
**First Tennessee Securities Corporation**  
**Morgan Keegan & Company, Inc.**  
**U.S. Bancorp Piper Jaffray**

May 29, 2003

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**You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement.**

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**Table of Contents****SUMMARY**

*This prospectus supplement contains the terms of this offering of notes. The prospectus supplement may add, update or change information in the accompanying prospectus. To the extent they are inconsistent, the information in this prospectus supplement supersedes the information in the accompanying prospectus.*

*You should read this prospectus supplement and the accompanying prospectus to understand the terms of the notes offered by this prospectus supplement and the accompanying prospectus. You should also read the documents referred to in **Where You Can Find More Information** in the accompanying prospectus for information about us and our financial statements.*

*When we refer to **we**, **our** and **us** in this prospectus supplement and the accompanying prospectus, we mean AutoZone, Inc., including, unless the context otherwise requires, its subsidiaries. When we refer to **you** or **yours**, we mean the holders of the notes offered hereby.*

**AutoZone, Inc.**

We are the nation's leading specialty retailer of automotive parts and accessories, with most of our sales to do-it-yourself (DIY) customers. We began operations in 1979 and at May 10, 2003, operated 3,152 stores in the United States and 43 in Mexico. Each store carries an extensive product line for cars, vans and light trucks, including new and re-manufactured automotive hard parts, maintenance items and accessories. We also have a commercial sales program in the United States that provides commercial credit and prompt delivery of parts and other products to repair garages, dealers and service stations. We do not derive revenue from the sale of tires or from automotive repair or installation.

We also sell automotive diagnostic and repair information software through our ALLDATA subsidiary. Via the Internet, we sell diagnostic and repair information through alldatadiy.com and auto parts and accessories through autozone.com.

Our executive offices are located at 123 South Front Street, Memphis, Tennessee 38103, and our telephone number is (901) 495-6500. AutoZone, Inc. is a Nevada corporation.

**Recent Developments**

On May 27, 2003, we reported financial results for our third fiscal quarter of 2003. The following is selected financial data for the thirty-six weeks ended May 4, 2002, and May 10, 2003.

	<b>Thirty-Six Weeks Ended</b>	
	<b>May 4, 2002</b>	<b>May 10, 2003</b>
	<b>(dollars in thousands except per share data)</b>	
Net sales	\$3,482,173	\$3,627,776
Operating profit	\$ 459,086	\$ 557,707
Net income	\$ 250,162	\$ 310,163
	<b>_____</b>	<b>_____</b>
Basic earnings per share	\$ 2.35	\$ 3.19
	<b>_____</b>	<b>_____</b>
Diluted earnings per share	\$ 2.29	\$ 3.12
	<b>_____</b>	<b>_____</b>
Percentage increase in domestic auto parts comparable store net sales	9.9%	3.2%
Depreciation and amortization	\$ 82,497	\$ 75,526
Working capital	\$ 23,961	\$ 34,424

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Total debt	\$ 1,251,134	\$ 1,419,967
Stockholders' equity	\$ 774,915	\$ 601,618

Subsequent to May 10, 2003, we purchased approximately 4.0 million shares of our common stock in settlement of all forward contracts outstanding at May 10, 2003, at an average cost of \$74.54 per share, and, as of May 27, 2003, we had purchased approximately 0.5 million shares of our common stock in the open market at an average cost of \$85.39 per share, all of which purchases we financed primarily through the issuance of commercial paper.

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**The Offering**

Issuer	AutoZone, Inc.
Securities Offered	\$200,000,000 aggregate principal amount of 4.375% Senior Notes due 2013.
Maturity Date	June 1, 2013.
Interest Payment Dates	June 1 and December 1 of each year, commencing on December 1, 2003.
Optional Redemption	We may redeem the notes, in whole at any time or in part from time to time, at our option on not less than 30 nor more than 60 days' notice, at the redemption prices described under "Description of Notes - Optional Redemption."
Ranking	<p>The notes:</p> <p>will be unsecured obligations;</p> <p>will rank equally and ratably with all our existing and future unsecured and unsubordinated debt;</p> <p>will be senior to any future subordinated debt;</p> <p>will be effectively junior to any secured debt; and</p> <p>will be effectively junior to all existing and future debt and other liabilities of our subsidiaries.</p>
Covenants	The notes will contain covenants restricting our ability, subject to certain exceptions, to incur debt secured by liens, or to merge or consolidate with another entity or sell substantially all of our assets to another person.
Use of Proceeds	We estimate that we will receive net proceeds from this offering of approximately \$196.8 million, which we intend to use for general corporate purposes, including repaying, redeeming or repurchasing existing debt, and for working capital, capital expenditures, new store openings, repurchases of common stock under our stock repurchase program and acquisitions.
Further Issues	We may, without your consent, create and issue additional notes ranking equally and ratably with the notes and otherwise identical to the notes in all respects. These additional notes, if any, will form a single series with the notes and will have the same terms as to status, redemption or otherwise as the notes.

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**USE OF PROCEEDS**

We estimate that the net proceeds from this offering, after deducting estimated fees and expenses, will be approximately \$196.8 million. We intend to use the net proceeds from this offering for general corporate purposes, including repaying, redeeming or repurchasing existing debt, and for working capital, capital expenditures, new store openings, repurchases of common stock under our stock repurchase program and acquisitions. We may invest funds not required immediately for these purposes in short-term, interest-bearing or other investment grade securities.

**RATIO OF EARNINGS TO FIXED CHARGES**

Our consolidated ratio of earnings to fixed charges is 7.8 for the thirty-six weeks ended May 10, 2003. We have computed the ratio of earnings to fixed charges by dividing earnings by fixed charges. For this purpose, earnings consist of income before taxes plus fixed charges (excluding capitalized interest), and fixed charges consist of interest expense on all indebtedness, capitalized interest, amortization of debt issuance costs and the portion of rent expense (estimated to be 18%) on operating leases deemed representative of interest.

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**DESCRIPTION OF NOTES**

The following description of the terms and provisions of the notes supplements the description in the accompanying prospectus of the general terms and provisions of the debt securities, to which description reference is hereby made.

**General**

The notes will mature on June 1, 2013.

Interest on the notes will accrue from June 3, 2003, at the rate per year shown on the cover of this prospectus supplement and will be payable semiannually on June 1 and December 1 of each year, beginning on December 1, 2003, to the persons in whose names the notes are registered at the close of business on the May 15 and November 15 preceding the respective interest payment dates. If any payment date is not a business day, then payment will be made on the next business day, but without any additional interest or other amount. Interest will be computed on the notes on the basis of a 360-day year of twelve 30-day months.

The notes will be unsecured obligations of AutoZone and will rank equally and ratably with all other unsecured and unsubordinated indebtedness of AutoZone.

The notes will not be subject to any sinking fund.

The notes will be represented by one or more registered notes in global form, but in certain limited circumstances may be represented by notes in definitive form. See **Description of Debt Securities** **Global Debt Securities** in the accompanying prospectus. The notes will be issued only in minimum denominations of \$1,000, and integral multiples of \$1,000.

The notes will constitute a series of debt securities to be issued under the indenture dated as of July 22, 1998, between AutoZone and Bank One Trust Company, N.A. (as successor in interest to The First National Bank of Chicago), as trustee, which is described in the accompanying prospectus.

As of May 10, 2003, we had approximately \$1,420.0 million of senior indebtedness (as defined under the caption **Description of Debt Securities** **Status of Debt Securities** in the accompanying prospectus) outstanding, including approximately \$10.2 million in secured indebtedness outstanding (including capital leases). As of May 10, 2003, our subsidiaries had approximately \$4.7 million in indebtedness outstanding (including capital leases).

**Optional Redemption**

The notes will be redeemable, in whole at any time or in part from time to time, at our option, at a redemption price equal to accrued and unpaid interest on the principal amount being redeemed to the date of redemption plus the greater of:

100% of the principal amount of the notes to be redeemed; and

the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 20 basis points.

Adjusted Treasury Rate means, with respect to any date of redemption, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue,

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assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that date of redemption.

**Comparable Treasury Issue** means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the notes to be redeemed that would be used, at the time of selection and under customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes.

**Comparable Treasury Price** means, with respect to any date of redemption, the average of the Reference Treasury Dealer Quotations for the date of redemption, after excluding the highest and lowest Reference Treasury Dealer Quotations, or if the trustee obtains fewer than three Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations.

**Quotation Agent** means Citigroup Global Markets Inc. or SunTrust Capital Markets, Inc., or another Reference Treasury Dealer appointed by us.

**Reference Treasury Dealer** means each of Citigroup Global Markets Inc. and SunTrust Capital Markets, Inc. and their respective successors and any other primary treasury dealer we select. If any of the foregoing ceases to be a primary treasury dealer in New York City, we must substitute another primary treasury dealer.

**Reference Treasury Dealer Quotations** means, with respect to each Reference Treasury Dealer and any date of redemption, the average, as determined by the trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by the Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day before the date of redemption.

Notice of any redemption will be mailed at least 30 days but not more than 60 days before the date of redemption to each holder of the notes to be redeemed. Unless we default in payment of the redemption price, on and after the date of redemption, interest will cease to accrue on the notes or portions of the notes called for redemption.

**Further Issues**

We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional notes ranking equally and ratably with the notes and otherwise identical to the notes in all respects (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except, in some cases, for the first payment of interest following the issue date of such additional notes). These additional notes, if any, will form a single series with the notes and will have the same terms as to status, redemption or otherwise as the notes.

**Same-Day Settlement and Payment**

The notes will trade in the same-day funds settlement system of The Depository Trust Company, or DTC, until maturity or unless we issue the notes in definitive form. DTC will therefore require secondary market trading activity in the notes to settle in immediately available funds. We can give no assurance as to the effect, if any, of settlement in immediately available funds on trading activity in the notes. See **Description of Debt Securities** **Global Debt Securities** in the accompanying prospectus.

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**Concerning the Trustee**

Bank One Trust Company, N.A. (as successor in interest to The First National Bank of Chicago) is the trustee under the indenture. We use an affiliate of the trustee as transfer agent for our common stock. We also maintain deposit accounts and conduct other banking transactions with the trustee and its affiliates in the ordinary course of business. Bank One, N.A., the parent company of Bank One Trust Company, N.A., is one of a group of lenders under our revolving credit facility.

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Citigroup Global Markets Inc. is acting as sole bookrunning manager of the offering, and, together with SunTrust Capital Markets, Inc., is acting as representative of the underwriters named below.

Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has agreed to purchase, and we have agreed to sell to that underwriter, the principal amount of notes set forth opposite the underwriter's name.

<b>Underwriter</b>	<b>Principal amount of notes</b>
Citigroup Global Markets Inc.	\$ 60,000,000
SunTrust Capital Markets, Inc.	60,000,000
Banc of America Securities LLC	10,760,000
Fleet Securities, Inc.	10,760,000
J.P. Morgan Securities Inc.	10,760,000
Merrill Lynch, Pierce Fenner & Smith Incorporated	10,760,000
Wachovia Securities, Inc.	10,760,000
Banc One Capital Markets, Inc.	2,620,000
BNP Paribas Securities Corp.	2,620,000
BNY Capital Markets, Inc.	2,620,000
Credit Lyonnais Securities (USA) Inc.	2,620,000
Fifth Third Securities, Inc.	2,620,000
FTN Financial Securities Corp.	2,620,000
McDonald Investments Inc.	2,620,000
Morgan Keegan & Company, Inc.	2,620,000
NatCity Investments, Inc.	2,620,000
U.S. Bancorp Piper Jaffray Inc.	2,620,000
<b>Total</b>	<b>\$ 200,000,000</b>

The underwriting agreement provides that the obligations of the underwriters to purchase the notes included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the notes if they purchase any of the notes.

The underwriters propose to offer some of the notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement and some of the notes to dealers at the public offering price less a concession not to exceed 0.40% of the principal amount of the notes. The underwriters may allow, and dealers may realow, a concession not to exceed 0.25% of the principal amount of the notes on sales to other dealers. After the initial offering of the notes to the public, the representatives may change the public offering price and concessions.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering (expressed as a percentage of the principal amount of the notes and in total).

	<b>Paid by us</b>
Per note	0.65%

Total

\$ 1,300,000

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In connection with the offering, Citigroup Global Markets Inc., on behalf of the underwriters, may purchase and sell notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of notes in excess of the principal amount of notes to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when Citigroup Global Markets Inc., in covering syndicate short positions or making stabilizing purchases, repurchases notes originally sold by that syndicate member.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The underwriters may conduct these transactions in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

We estimate that our total expenses for this offering will be approximately \$200,000. The underwriters have agreed to reimburse us for a portion of the expenses incurred in connection with this offering.

The underwriters have performed investment banking and advisory services for us from time to time for which they have received customary fees and expenses. The underwriters may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business. Affiliates of some of the underwriters, including Citigroup Global Markets Inc. and SunTrust Capital Markets, Inc., the representatives of the underwriters, are lenders to AutoZone in respect of borrowings under credit facilities, which may be repaid with a portion of the net proceeds of this offering. Banc One Capital Markets, Inc., one of the underwriters, and Bank One Trust Company, N.A., the trustee, are each wholly-owned subsidiaries of Bank One Corporation.

Because more than 10% of the net proceeds of this offering, not including underwriting compensation, will be paid to affiliates of members of the National Association of Securities Dealers, Inc. ( NASD ) who are participating in this offering, this offering is being conducted in compliance with Rule 2710(c)(8) of the NASD.

A prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make because of any of those liabilities.



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**LEGAL MATTERS**

The validity of the notes will be passed upon for us by Latham & Watkins LLP, Los Angeles, California. Other legal matters with respect to the notes will be passed upon by Schreck Brignone, Las Vegas, Nevada, and by Donald R. Rawlins, Esq., our Vice President, Assistant General Counsel and Assistant Secretary. As of May 29, 2003, Mr. Rawlins beneficially owned 6,308 shares of our common stock, including 6,099 shares that may be acquired upon exercise of stock options either immediately or within 60 days of that date. The validity of the notes will be passed upon for the underwriters by Simpson Thacher & Bartlett, New York, New York.

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**PROSPECTUS**

# **AutoZone, Inc.**

**\$500,000,000**

## **DEBT SECURITIES**

We may offer and sell the debt securities from time to time in one or more offerings. This prospectus provides you with a general description of the debt securities that we may offer.

Each time we sell debt securities we will provide a prospectus supplement to this prospectus that contains specific information about the offering and the terms of the debt securities. The prospectus supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and any prospectus supplement before you invest in any of our debt securities.

We may offer and sell senior and subordinated debt securities under this prospectus.

We have not yet determined whether any of the debt securities will be listed on any exchange or over-the-counter market. If we decide to seek the listing of the debt securities, the prospectus supplement relating to such debt securities will disclose the exchange or market on which the debt securities will be listed.

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**Investment in the debt securities described herein involves a degree of risk. See **Risk Factors** beginning on page 4.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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The debt securities will be sold directly by us, through agents, dealers or underwriters designated from time to time, or through a combination of such methods. If our agents or any dealers or underwriters are involved in the sale of the debt securities, the names of such agents, dealers or underwriters and any applicable commissions or discounts will be set forth in the applicable prospectus supplement.

This prospectus may not be used to consummate sales of debt securities unless accompanied by an applicable prospectus supplement.

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The date of this prospectus is October 10, 2002.

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**ABOUT THIS PROSPECTUS**

This prospectus is part of a shelf registration statement that we filed with the Securities and Exchange Commission, or SEC, under the Securities Act of 1933, as amended, or Securities Act. By using a shelf registration statement, we may sell up to \$500,000,000 aggregate offering price of any combination of the debt securities described in this prospectus from time to time and in one or more offerings. This prospectus only provides you with a general description of the debt securities that we may offer. Each time we sell debt securities, we will provide a supplement to this prospectus that contains specific information about the terms of the debt securities. The prospectus supplement may also add, update or change information contained in this prospectus. Before purchasing any debt securities, you should carefully read both this prospectus and any prospectus supplement, together with the additional information described under the heading Where You Can Find More Information.

You should rely only on the information contained or incorporated by reference in this prospectus and in any prospectus supplement. We have not authorized any other person to provide you with different information. If any person provides you with different or inconsistent information, you should not rely on it. We will not make an offer to sell these debt securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and any prospectus supplement is accurate as of the respective dates thereof. Our business, financial condition, results of operations and prospects may have changed since those dates.

When we refer to we, our and us in this prospectus, we mean AutoZone, Inc., including, unless the context otherwise requires or as otherwise expressly stated, its subsidiaries. When we refer to you or yours, we mean the holders of the applicable series of debt securities.

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**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information filed by us at the SEC's public reference room at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. Copies of this material can also be obtained from the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the SEC's public reference rooms.

The SEC also maintains a web site that contains reports, proxy statements and other information about issuers, such as us, who file electronically with the SEC. Our filings with the SEC are also available to the public from commercial document retrieval services and at the SEC's web site at <http://www.sec.gov>.

Our common stock is listed on the New York Stock Exchange (NYSE: AZO), and reports, proxy statements and other information concerning us can also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. Copies of this information may also be inspected at the reading room of the library of the National Association of Securities Dealers, Inc., 1734 K Street, N.W., Washington, D.C. 20006.

Our web site address is <http://www.autozone.com>. The information on our web site, however, is not, and should not be deemed to be, a part of this prospectus.

This prospectus is part of a registration statement that we filed with the SEC. The full registration statement may be obtained from the SEC or us, as indicated below. Forms of the indenture and other documents establishing the terms of the offered debt securities are filed as exhibits to the registration statement. Statements in this prospectus about these documents are summaries. You should refer to the actual documents for a more complete description of the relevant matters.

**INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

The rules of the SEC allow us to incorporate by reference the reports and documents we filed with the SEC, which means that we can disclose important information to you by referring you to another document filed separately with SEC. The information incorporated by reference is deemed to be part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference into this prospectus the documents set forth below that we have previously filed with the SEC and any future filings made under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or Exchange Act. These documents contain important information about us.

our Annual Report on Form 10-K for the fiscal year ended August 25, 2001 (filed with the SEC on November 16, 2001);

our Annual Report on Form 10-K/A for the fiscal year ended August 25, 2001 (filed with the SEC on March 4, 2002);

our Proxy Statement on Schedule 14A filed with the SEC on November 13, 2001;

our Quarterly Report on Form 10-Q for the quarter ended November 17, 2001 (filed with the SEC on December 18, 2001);

our Quarterly Report on Form 10-Q for the quarter ended February 9, 2002 (filed with the SEC on March 26, 2002); and

our Quarterly Report on Form 10-Q for the quarter ended May 4, 2002 (filed with the SEC on June 7, 2002);

our Current Reports on Form 8-K, filed with the SEC on September 26, 2001, December 5, 2001, January 7, 2002, February 27, 2002, May 29, 2002, July 17, 2002, September 25, 2002 and October 1, 2002; and

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all documents we file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of the offering of debt securities offered by this prospectus.

We will furnish without charge to you, upon written or oral request, a copy of any or all of the documents described above, except for exhibits to those documents, unless the exhibits are specifically incorporated by reference into those documents. Requests should be addressed to:

Secretary

AutoZone, Inc.  
123 South Front Street  
Memphis, Tennessee 38103  
(901) 495-6500

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**AUTOZONE, INC.**

We are the nation's leading specialty retailer of automotive parts and accessories, with most of our sales to do-it-yourself (DIY) customers. We began operations in 1979 and at August 31, 2002, operated 3,068 auto parts stores in the United States and 39 in Mexico. Each auto parts store carries an extensive product line for cars, vans and light trucks, including new and re-manufactured automotive hard parts, maintenance items and accessories. We also have a commercial sales program in the United States that provides commercial credit and prompt delivery of parts and other products to repair garages, dealers and service stations. We do not derive revenue from the sale of tires or from automotive repair or installation.

We also sell automotive diagnostic and repair information software through our ALLDATA subsidiary and diagnostic and repair information through alldatadiy.com.

We are dedicated to providing customers with superior service, value, and quality automotive parts and products at conveniently located, well-designed stores. We have implemented this strategy primarily by training our knowledgeable and motivated store personnel to emphasize prompt and courteous customer service and to provide trustworthy advice and by maintaining an extensive product line with an emphasis on automotive hard parts. Our stores are generally situated in high-visibility locations and provide a distinctive merchandise presentation in an attractive store environment.

Our executive offices are located at 123 South Front Street, Memphis, Tennessee 38103, and our telephone number is (901) 495-6500. AutoZone, Inc. is a Nevada corporation.

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**RISK FACTORS**

*An investment in our debt securities involves a degree of risk. You should carefully consider the risks and uncertainties described below and other information contained in this prospectus before you decide whether to invest in our debt securities. If any of the following risks actually occur, our business, financial condition, results of operations and liquidity could be materially adversely affected. This may affect our ability to pay interest on such debt securities or repay the principal when due, and you may lose part or all of your investment.*

**We may not be able to increase sales by the same historic growth rates.**

We have significantly increased our domestic store count in the past five fiscal years, growing from 1,728 stores at August 30, 1997, to 3,068 stores at August 31, 2002, an average store count increase per year of 14%. We do not plan to continue our store count growth rate at the historic pace. In addition, a portion of our total sales increases each year results from increases in sales at existing stores. We cannot provide any assurance that we can continue to increase same store sales.

**Our business depends upon qualified employees.**

At the end of fiscal year 2002, our consolidated employee count was approximately 44,200. We do not know if we can continue to hire and retain qualified employees at current wage rates. In the event of increasing wage rates, if we do not increase our wages competitively, our customer service could suffer by reason of a declining quality of our workforce or, alternatively, our earnings would decrease if we increase our wage rates.

**If demand for our products slows, then our business may be materially affected.**

Demand for products sold by our stores depends on many factors. In the short term, it may depend upon:

the number of miles vehicles are driven annually, as increased vehicle mileage increases the need for maintenance and repair. Mileage levels may be affected by gas prices and other factors.

the number of vehicles in current service that are seven years old and older, as these vehicles are no longer under the original vehicle manufacturers' warranty and will need more maintenance and repair than younger vehicles.

the weather, as vehicle maintenance may be deferred during periods of severe weather impacting a wide geographic area.

the economy. In periods of rapidly declining economic conditions, both do-it-yourself and do-it-for-me customers may defer vehicle maintenance or repair. During periods of expansionary economic conditions, more of our do-it-yourself customers may pay others to repair and maintain their cars instead of working on their own vehicles or they may purchase new vehicles.

For the long term, demand for our products may depend upon:

the quality of the vehicles manufactured by the original vehicle manufacturers and the length of the warranty offered on new vehicles.

restrictions on access to diagnostic tools and repair information imposed by the original vehicle manufacturers or by governmental regulation.

**If we are unable to compete successfully against other businesses that sell the products that we sell, we could lose customers and our revenues and profits may decline.**

The sale of automotive parts, accessories and maintenance items is highly competitive in many areas, including name recognition, product availability, customer service, store location and price, with many competitors. AutoZone competes in both the DIY and commercial auto parts and accessories markets.

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Competitors include national and regional auto parts chains, independently owned parts stores, wholesalers and jobbers, repair shops, car washes and auto dealers, in addition to discount and mass merchandise stores, department stores, hardware stores, supermarkets, drugstores and home stores that sell aftermarket vehicle parts and supplies, chemicals, accessories, tools and maintenance parts. Although we believe we compete effectively on the basis of customer service, including the knowledge and expertise of our AutoZoners, merchandise quality, selection and availability, product warranty, store layout, location and convenience, and the strength of our AutoZone brand name, some competitors may have competitive advantages, such as greater financial and marketing resources, larger stores with more merchandise, longer operating histories, more frequent customer visits and more effective advertising. If we are unable to continue to develop successful competitive strategies or our competitors develop more effective strategies, we could lose customers and our revenues and profits may decline.

### **If we cannot profitably increase market share in the commercial auto parts business, our sales growth may be limited.**

Although we are one of the largest sellers of auto parts in the commercial do-it-for-me market, to increase commercial sales we must compete against automotive aftermarket jobbers and warehouse distributors, in addition to other auto parts retailers that have recently entered the commercial business. Although we believe we compete effectively on the basis of customer service, merchandise quality, selection and availability, and distribution locations, some automotive aftermarket jobbers and warehouse distributors have been in business for substantially longer periods of time than we have, have developed long-term customer relationships and have larger available inventories. We can make no assurances that we can profitably develop new commercial customers or make available inventories required by commercial customers.

### **If our vendors continue to consolidate, we may pay higher prices for our merchandise.**

Recently, several of our vendors have merged and others have announced plans to merge. Further vendor consolidation could limit the number of vendors from which we may purchase products and could materially affect the prices we pay for these products.

### **Consolidation among our competitors may negatively impact our business.**

Recently, several large auto parts chains have merged. We do not know what impact these mergers will have upon competition in the retail automotive aftermarket. If our merging competitors are able to achieve efficiencies in their mergers, then there may be greater competitive pressures in the markets in which they are strongest.

### **War, acts of terrorism, or the threat of either may negatively impact availability of merchandise and adversely impact our sales.**

In the event of war, acts of terrorism, or either are threatened, it may have a negative impact on our ability to obtain merchandise available for sale in our stores. Some of our merchandise is imported from other countries. If imported goods become difficult or impossible to bring into the United States, and if we cannot obtain such merchandise from other sources at similar costs, our sales and profit margins may be negatively affected.

In the event that commercial transportation is curtailed or substantially delayed, our business may be adversely impacted, as we may have difficulty shipping merchandise to our distribution centers and stores.



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**FORWARD-LOOKING STATEMENTS**

All statements included or incorporated by reference in this prospectus, other than statements of historical fact, that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements (as the term is defined in Section 27A of the Securities Act and Section 21E of the Exchange Act). Forward-looking statements typically use words such as believe, anticipate, should, intend, plan, will, expect, estimate, project, positioned, strategy, and similar expressions. These assumptions and assessments made by our management in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors our management believes to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties, including those risks described in this prospectus under Risk Factors, and elsewhere in, or incorporated by reference into, this prospectus, as well as other factors that our management has not yet identified. 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.

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**RATIO OF EARNINGS TO FIXED CHARGES**

Our consolidated ratio of earnings to fixed charges is as follows for the periods indicated:

Fiscal Year Ended				
August 31, 2002	August 25, 2001(a)	August 26, 2000	August 28, 1999	August 29, 1998
8.0	3.4	5.4	6.8	12.7

- (a) Income before income taxes for the fiscal year ended August 2001 reflects the impact of pretax restructuring and impairment charges of \$156.8 million. The ratio of earnings to fixed charges, absent these restructuring and impairment charges, equals 4.7 for the fiscal year ended August 2001.

We have computed the ratio of earnings to fixed charges by dividing earnings by fixed charges. For this purpose, earnings consist of income before taxes plus fixed charges (excluding capitalized interest), and fixed charges consist of interest expense on all indebtedness, capitalized interest, amortization of debt issuance costs and the portion of rent expense (estimated to be 18%) on operating leases deemed representative of interest.

**USE OF PROCEEDS**

Except as set forth in the prospectus supplement, we intend to use the net proceeds from the sale of the debt securities offered hereby for general corporate purposes, including repaying, redeeming or repurchasing existing debt, and for working capital, capital expenditures, new store openings, stock repurchases, and acquisitions. We may invest funds not required immediately for such purposes in short-term, interest-bearing and other investment grade securities.

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**DESCRIPTION OF DEBT SECURITIES**

The following description discusses the general terms and provisions of the debt securities that we may offer and sell by this prospectus. The particular terms of the debt securities offered will be set forth in a prospectus supplement relating to those debt securities. The debt securities will be issued as either senior debt securities under the senior indenture dated as of July 22, 1998, between us and Bank One Trust Company, N.A. (as successor in interest to The First National Bank of Chicago), as trustee ( "senior indenture" ) or as subordinated debt securities under a subordinated indenture to be entered into between us and Bank One Trust Company, N.A. (as successor in interest to The First National Bank of Chicago), as trustee ( "subordinated indenture" ), and will be unsecured obligations and will rank equally with all of our other unsecured and senior or subordinated debt, respectively. In this section entitled "Description of Debt Securities," references to we, us, our, and AutoZone include only AutoZone, Inc. and not any of its subsidiaries. Unless the context otherwise requires, each of the senior indenture and the subordinated indenture is referred to in this description as the "indenture." The forms of these indentures were filed as exhibits to a registration statement on Form S-3 (No. 333-58565) filed with the SEC on July 6, 1998.

The debt securities will be governed by the indenture. The indenture gives us broad authority to set the particular terms of each series of debt securities, including the right to modify certain of the terms contained in the indenture. The particular terms of a series of debt securities and the extent, if any, to which the particular terms of the issue modify the terms of the indenture will be described in the prospectus supplement relating to the debt securities. The terms of the debt securities will include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended, as in effect on the date of the indenture.

The indenture contains the full legal text of the matters described in this section. Because this section is a summary, it does not describe every aspect of the debt securities or the indenture. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of terms used in the indenture. We also include references in parentheses to certain sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in a prospectus supplement, these sections or defined terms are incorporated by reference herein or in the prospectus supplement. This summary also is subject to and qualified by reference to the description of the particular terms of the debt securities in the applicable prospectus supplement.

As of August 31, 2002, we had approximately \$1,194.5 million of senior indebtedness (as defined below) outstanding and \$11.6 million in secured indebtedness outstanding (including capital leases). As of August 31, 2002, our subsidiaries had \$4.7 million in indebtedness outstanding (including capital leases).

**General**

We may issue an unlimited amount of debt securities under the relevant indenture in one or more series. We need not issue all debt securities of one series at the same time and, unless otherwise provided, we may reopen a series, without the consent of the holders of the debt securities of that series, for issuances of additional debt securities of that series.

The debt securities will be unsecured obligations.

Prior to the issuance of each series of debt securities, the terms of the particular debt securities will be specified in a board resolution of AutoZone and, to the extent not set forth therein, in an officer's certificate of AutoZone or in one or more supplemental indentures. We refer you to the applicable prospectus supplement for a description of the following terms of the series of debt securities (Section 301):

(1) the title of the debt securities;

(2) whether the debt securities are senior debt securities or subordinated debt securities;

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- (3) the price or prices (expressed as a percentage of the aggregate principal amount thereof) at which the debt securities will be issued;
- (4) any limit upon the aggregate principal amount of the debt securities;
- (5) the date or dates on which principal and premium, if any, will be payable;
- (6) the rate or rates (which may be fixed or variable) or method of determination of interest; the date from which interest will accrue; the dates on which interest will be payable, which we refer to as the interest payment dates; and any record dates for the interest payable on the interest payment dates;
- (7) whether we may extend the interest payment periods and, if so, the terms of any extension;
- (8) if other than the principal corporate trust office of the trustee, the place or places where we will pay principal, premium, if any, and interest on the debt securities;
- (9) the period or periods during which, and the price or prices at which, and the terms and conditions at which the debt securities may be redeemed, in whole or in part, at our option;
- (10) any obligation, if any, we have to redeem or purchase the debt securities under any sinking fund, purchase fund or analogous provisions or at the option of a holder and the details of that obligation;
- (11) the denominations in which the debt securities will be issuable (if other than denominations of \$1,000 and any integral multiple thereof);
- (12) any index or formula for determining the portion of the principal amount payable upon an acceleration of the indebtedness if other than the full principal amount;
- (13) any addition to or change in the covenants which apply to the debt securities;
- (14) any addition to or change in the events of default that apply to the debt securities;
- (15) whether the debt securities are to be issued in whole or in part in the form of one or more global debt securities, the terms and conditions, if any, upon which global debt securities may be exchanged in whole or in part for certificated debt securities, and, if so, the identity of the depositary for the global debt securities;
- (16) any rights of the holders of the debt securities to convert the debt securities into other securities or property and the terms and conditions of conversion;
- (17) the form and terms of any guarantees of the debt securities;
- (18) if the principal amount payable at the stated maturity of any debt securities will not be determinable as of any one or more dates prior to maturity, the amount which will be deemed to be such principal amount as of any date for any purpose, including the principal amount thereof which will be due and payable upon any maturity other than the stated maturity or which will be deemed to be outstanding as of any such date;
- (19) if applicable, that the debt securities, in whole or in any specified part, are defeasible pursuant to the terms of the indenture;
- (20) whether the debt securities will be listed on any securities exchange or included in any other market or quotation or trading system;
- (21) any trustee or fiscal or authenticating or payment agent, issuing and paying agent, transfer agent or registrar or any other person or entity to act in connection with the debt securities for or on behalf of us or the holders of the debt securities, or an affiliate of either; and

(22) any other terms of the debt securities which are not inconsistent with the indenture.

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One or more series of the debt securities may be issued as discounted debt securities (bearing no interest or interest at a rate which at the time of issuance is below market rates) to be sold at a substantial discount below their stated principal amount. Federal income tax consequences and other special considerations applicable to any such discounted debt securities will be described in the applicable prospectus supplement.

Debt securities may also be issued in bearer form, with or without coupons. Federal income tax considerations applicable to bearer securities will be described in the applicable prospectus supplement.

### **Status of Debt Securities**

The senior debt securities will rank *pari passu* with all of our other unsecured and unsubordinated indebtedness.

Our obligations with respect to the subordinated debt securities will be subordinate in right of payment to all of our senior indebtedness. With respect to any series of subordinated debt securities, our senior indebtedness will be defined to mean the principal of, and premium, if any, and any interest (including interest accruing subsequent to the commencement by us of any proceeding for the bankruptcy or reorganization under any applicable bankruptcy, insolvency or similar law now existing or hereafter in effect) and all other monetary obligations of every kind or nature due on or in connection with:

(1) all of our indebtedness (including senior debt securities) whether currently or subsequently incurred (i) for borrowed money or (ii) in connection with the acquisition by us or one of our subsidiaries of assets other than in the ordinary course of business, the payment of which we are directly or indirectly liable by guarantee, letter of credit, obligation to purchase or acquire or otherwise, or the payment of which is secured by a lien, charge or encumbrance on assets acquired by us,

(2) amendments, modifications, renewals, extensions and deferrals of any such indebtedness, and

(3) any other indebtedness issued in exchange for any such senior indebtedness;

(clauses (1) through (3) above being collectively referred to herein as *debt* ); *provided, however*, that the following will not constitute senior indebtedness with respect to our subordinated debt securities:

(a) any debt whose instrument expressly provided that it is subordinate in right of payment to all of our debt not expressly subordinated to such debt; and

(b) any of our debt which by its terms refers explicitly to the subordinated debt securities and states that it is not senior in right of payment to the subordinated debt securities.

If we default in the payment of any principal of or premium, if any, or interest on any senior indebtedness when it becomes due and payable then upon written notice of such default, unless and until the default is cured or waived or ceases to exist, we cannot make any payment in respect of any subordinated debt securities. (Section 1401, subordinated indenture.)

Upon any distribution of our assets upon our dissolution, winding-up, liquidation or reorganization, the holders of our senior indebtedness shall be entitled to receive payment in full of principal, premium, if any, and interest (including interest accruing subsequent to the commencement by us of any proceeding for the bankruptcy or reorganization under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) before any payment is made on the subordinated debt securities. By reason of such subordination, in the event of our insolvency, holders of our senior indebtedness may receive more, ratably, and holders of the subordinated debt securities having a claim pursuant to the subordinated debt securities may receive less, ratably, than our other creditors. Such subordination will not prevent the occurrence of any event of default (an *event of default* ) in respect of the subordinated debt securities.

If we offer subordinated debt securities, the applicable prospectus supplement will set forth the aggregate amount of outstanding indebtedness, if any, as of the most recent practicable date that by the

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terms of such subordinated debt securities would be senior to such subordinated debt securities. The applicable prospectus supplement will also set forth any limitation on our ability to issue any additional senior indebtedness.

### **Exchange, Registration, Transfer and Payment**

Unless otherwise specified in the applicable prospectus supplement, payment of principal, premium, if any, and any interest on the debt securities will be payable, and the exchange of and the transfer of debt securities will be registerable, at the office of the trustee or at any other office or agency maintained by us for such purpose subject to the limitations of the indenture. (Sections 305 and 1002.) Unless otherwise indicated in the applicable prospectus supplement, the debt securities will be issued in fully registered form, without coupons, and in denominations of U.S. \$1,000 or integral multiples thereof. No service charge will be required to be paid for any registration of transfer or exchange of the debt securities, but we require payment of a sum sufficient to cover any tax or other governmental charge imposed in connection therewith. (Sections 302 and 305.)

### **Global Debt Securities**

Most offered debt securities will be book-entry (global) debt securities. Upon issuance, all book-entry debt securities will be represented by one or more fully registered global debt securities, without coupons. Each global debt security will be deposited with, or on behalf of, The Depository Trust Company, or DTC, a securities depository, and will be registered in the name of DTC or a nominee of DTC. DTC will thus be the only registered holder of these debt securities.

Purchasers of debt securities may only hold interests in the global debt securities through DTC if they are participants in the DTC system. Purchasers may also hold interests through a securities intermediary banks, brokerage houses and other institutions that maintain securities accounts for customers that have an account with DTC or its nominee. DTC will maintain accounts showing the debt security holdings of its participants, and these participants will in turn maintain accounts showing the debt security holdings of their customers. Some of these customers may themselves be securities intermediaries holding debt securities for their customers. Thus, each beneficial owner of a book-entry debt security will hold that debt security indirectly through a hierarchy of intermediaries, with DTC at the top and the beneficial owner's own debt securities intermediary at the bottom.

The debt securities of each beneficial owner of a book-entry debt security will be evidenced s