



Website  
powered by: **AUTOLOGUE**  
COMPUTER SYSTEMS, INC.

Top Stories

SEMA Challenges EPA's Motorsports Regulations In Court



## FINANCIAL

# AutoZone Q4 Same Store Sales Increase 21.8%

Net income for the quarter increased \$175.2 million, or 31.0% over last year's quarter to \$740.5 million.



By **aftermarketNews Staff**  
on September 23, 2020



[AutoZone, Inc.](#) recently reported net sales of \$4.5 billion for its fourth quarter (16 weeks) ended Aug. 29, 2020, an increase of 14.0% from the fourth quarter of fiscal 2019 (17 weeks). Excluding sales from the additional week included in last year's quarter, adjusted sales were up 21.2%. Domestic same store sales, or sales for stores open at least one year, increased 21.8% for the quarter. Same store sales are computed on a 16-week basis.

“As a result of the COVID-19 global pandemic, our primary focus has been and continues to be to protect the health and wellness of our customers and AutoZoners. I’m very proud of the steps our team has taken in this regard and I’m very appreciative of the phenomenal efforts of our AutoZoners who have continued to provide exceptional service to our customers throughout this entire extraordinary season! In recognition of their exceptional efforts and to provide them with much needed flexibility, we provided additional paid-time off for all eligible full and part-time hourly AutoZoners at the beginning of the pandemic. This quarter, we extended the same benefit to our store managers and distribution center advisors, each of whom have been on the front line, supporting their teams and managing through an enormous amount of change. While we are very pleased with our performance,

we know that the safety of our customers and AutoZoners along with our strong performance would not have been possible without the tremendous efforts of all AutoZoners across the organization,” said Bill Rhodes, chairman, president and CEO.

Net income for the quarter increased \$175.2 million, or 31.0% over last year’s quarter to \$740.5 million, while diluted earnings per share increased 36.9% to \$30.93 per share from \$22.59 per share in the year-ago quarter. Operating profit increased 30.4% to \$1.0 billion. Excluding the additional week in the fourth quarter of 2019, adjusted net income for the quarter increased 41.2% over the previous year, adjusted diluted earnings per share increased 47.6% and adjusted operating profit increased 40.4%.



For the quarter, gross profit, as a percentage of sales, was 53.1% (versus 53.4% for last year’s quarter). The decrease in gross margin was attributable to lower merchandise margins driven primarily by a shift in mix. Operating expenses, as a percentage of sales, were 30.7% (versus 33.8% for last year’s quarter), with leverage primarily due to higher sales volumes.

For the fiscal year ended Aug. 29, 2020, sales were \$12.6 billion, an increase of 6.5% from the prior year, while domestic same store sales were up 7.4% for the year. Same store sales are computed on a 52-week basis. Gross profit, as a percentage of sales, was 53.6% versus 53.7%. The decrease in gross margin was primarily attributable to lower merchandise margins driven primarily by a shift in mix. Operating expenses, as a percentage of sales, were 34.5% versus 35.0%. The reduction in expenses as a percent of sales was primarily due to leverage from higher sales growth, partially offset by \$83.9 million of costs incurred in response to COVID-19. For fiscal 2020, net income increased 7.2% to \$1.7 billion and diluted earnings per share increased 13.4% to \$71.93 from \$63.43. Last year’s net income and diluted earnings per share benefitted from an additional week of sales. Return on invested capital net of average excess cash, which ended the year at \$1.6 billion, finished at 38.1%.

Due to the uncertainty caused by the COVID-19 global pandemic, AutoZone did not repurchase any shares during the quarter. For the fiscal year, the company repurchased 826 thousand shares of its common stock for \$930.9 million, at an average price of \$1,127 per share. At year end, the company had \$796 million remaining under its current share repurchase authorization.

The company’s inventory increased 3.6% over last year’s quarter, driven by increased product placement and new stores. Inventory per store was \$683 thousand versus \$674 thousand last year and \$685 thousand last quarter. Net inventory, defined as merchandise inventories less accounts payable, on a per location basis, was a negative \$104 thousand versus negative \$85 thousand last year and negative \$56 thousand last quarter.

“I would like to congratulate and thank our entire organization for the results delivered this quarter and fiscal year. We set many modern era records during our fourth quarter including record same store sales of 21.8%, record commercial sales per program per week of \$12,200, record adjusted earnings before interest and taxes growth of 40.4% and record quarterly operating cash flow of \$1.4 billion. During the quarter, our same store sales growth was very consistent, generally increasing 21 to 27 percent per week. During the last four weeks of the quarter, following the expiration of the enhanced unemployment benefits provided by the Federal Government, our same store sales increased 16.5%. As we begin fiscal 2021, there continues to be significant uncertainty, but our team has proven that they are nimble and quickly able to adapt to this ever changing environment and provide exceptional service to our customers,” said Rhodes.

During the quarter ended Aug. 29, 2020, AutoZone opened 49 new stores in the U.S., 11 stores in Mexico and five stores in Brazil. At our fiscal year end, the company had 5,885 stores in the U.S., 621 stores in Mexico and 43 stores in Brazil for a total count of 6,549.

In this article: [AutoZone](#)

[Print](#)

**Up Next:** [BorgWarner Completes Acquisition Of Delphi Technologies](#) [Don't Miss: Advance Auto Parts Announces Cash Tender Offer](#)

---

**FINANCIAL:** [Mavis Tire Express To Be Acquired By Investor Group](#)

---

**FINANCIAL:** [Snap-on Acquires Dealer-FX Group Inc.](#)

---

**FINANCIAL:** [Greenbriar Equity Group Acquires Oil Changers](#)

---

**FINANCIAL:** [Superior Reports Q4, Full-Year 2020 Financial Results](#)

---



### FINANCIAL

## CarParts.com Reports Q4 Sales Up 90%

The company also has reported record fiscal year sales of \$443.9 million, up 58%.



By **aftermarketNews Staff**  
on March 16, 2021



[CarParts.com](https://www.carparts.com), one of the leading e-commerce providers of automotive parts and accessories, is reporting results for the fourth quarter and fiscal year ended January 2, 2021.

“The significant investments we made in 2019 laid the foundation for the success we experienced in 2020,” said Lev Peker, CEO of CarParts.com. “Our strategy of ‘Right Part, Right Place, Right Time’ is helping us transform and disrupt an industry with a superior value proposition that keeps our customers at the center of everything we do.

“While we are very proud of our work over the past two years and the improvements we have made, we still believe that there is significant market opportunity ahead of us,” Peker added. “Our plan is to continue to get closer to the customer, provide an expanding selection of both mechanical and EV/Hybrid replacement parts, and help customers get parts installed with increased convenience and transparency.

“We’re laser-focused on providing a fast and convenient shopping experience that builds trust, brand awareness and drives repeat purchasing. CarParts.com continues to demonstrate strong forward momentum and our team is executing well on multiple strategic objectives,” he noted.

### **Fourth Quarter 2020 Financial Results**

Net sales in the fourth quarter of 2020 were \$119.7 million compared to \$63 million in the year-ago quarter. The growth in sales was primarily driven by increased revenue growth from the company’s flagship website, CarParts.com.

*Pro Pack Offers*

# SPRING INTO MAINTENANCE

*with offers for Professionals on the full line of GM Genuine Parts and ACDelco Brake Pads, Shoes, Rotors, and Drums, plus other select parts*



**GM GENUINE PARTS** | **ACDelco**

[OFFER DETAILS](#)

Gross profit in the fourth quarter increased 97% to \$41.6 million compared to \$21.2 million last year, with gross margin up 110 bps to 34.8% compared to 33.7%. These improvements were driven by strong growth in house brands sales, favorable channel and product mix, partially offset by higher inbound and outbound freight costs and seasonal surcharges from our carriers.

Total operating expenses in the fourth quarter were \$44.9 million compared to \$23.3 million in the fourth quarter last year. The increase was driven by personnel costs related to the company's new Texas DC, technology spend and marketing spend.

Net loss in the fourth quarter decreased to (\$3.5) million compared to (\$25.1) million in the fourth quarter last year. The loss for 2020 was primarily driven by startup expenses incurred to open the Texas DC without the benefit of offsetting revenues while the prior year loss was primarily driven by a non-cash valuation allowance charge of (\$23) million related to deferred tax assets.

Adjusted EBITDA in the fourth quarter decreased to \$1 million compared to \$1.7 million in the year-ago quarter, with the decrease driven primarily by the aforementioned increase in expenses related to opening a new DC as well as increased receiving across the network.

At fiscal year-end Jan. 2, 2021, the company had no revolver debt, no outstanding trade letters of credit and a cash balance of \$35.8 million, compared to no debt, \$17.3 million of outstanding trade LCs and a \$2.3 million cash balance at Dec. 28, 2019.

**In this article:** [CarParts.com](#), [Financial News](#), [Quarterly Numbers](#)

[Print](#)

**Don't Miss: Driven Brands Reports Q4, Fiscal Year 2020 Results**

**LEGISLATIVE:** SEMA  
Challenges EPA's  
Motorsports Regulations In  
Court

---

**DISTRIBUTION:** Alliance  
Welcomes Largest US  
Member

---

**LEGISLATIVE:** Katherine Tai  
Named Next US Trade Rep

---

## POPULAR POSTS

---



**GDI Engines Create Unique Spark Plug Challenges**