

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Fiscal Quarter Ended October 31, 1997

Commission File Number 0-12788

CASEY'S GENERAL STORES, INC.
(Exact name of registrant as specified in its charter)

IOWA
State or other jurisdiction of
incorporation or organization) 42-0935283
(I.R.S. Employer
Identification Number)

ONE CONVENIENCE BOULEVARD, ANKENY, IOWA
(Address of principal executive offices)

50021
(Zip Code)

(515) 965-6100
(Registrant's telephone number, including area code)

NONE
(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO _____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, No Par Value 26,269,056 shares
(Class) (Outstanding at December 2, 1997)

CASEY'S GENERAL STORES, INC.

INDEX

Page

PART I - FINANCIAL INFORMATION

| | | |
|---------|--|---|
| Item 1. | Consolidated Financial Statements. | |
| | Consolidated condensed balance sheets - October 31, 1997 and April 30, 1997 | 3 |
| | Consolidated condensed statements of income - three and six months ended October 31, 1997 and 1996 | 5 |
| | Consolidated condensed statements of cash flows - six months ended October 31, 1997 and 1996 | 6 |
| | Notes to consolidated condensed financial statements | 7 |

| | | |
|---------|--|---|
| Item 2. | Management's Discussion and Analysis of Financial Condition and Results of Operations. | 8 |
|---------|--|---|

PART II - OTHER INFORMATION

| | | |
|---------|--|----|
| Item 1. | Legal Proceedings. | 13 |
| Item 4. | Submission of Matters to a Vote of Security Holders. | 14 |
| Item 5. | Other Information. | 14 |
| Item 6. | Exhibits and Reports on Form 8-K. | 14 |

| | | |
|-----------|--|----|
| SIGNATURE | | 16 |
|-----------|--|----|

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
 CONSOLIDATED CONDENSED BALANCE SHEETS
 (Unaudited)

| | October 31, 1997 | April 30, 1997 |
|--|---------------------|-------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 4,188,002 | 3,097,741 |
| Short-term investments | 1,624,660 | 6,898,294 |
| Receivables | 2,953,872 | 2,701,740 |
| Inventories | 38,895,907 | 36,522,960 |
| Prepaid expenses | 5,617,224 | 5,452,646 |
| Total current assets | 53,279,665 | 54,673,381 |
| Long-term investments | 5,887,792 | 3,561,865 |
| Other assets | 1,223,847 | 1,341,062 |
| Property and equipment, net of accumulated depreciation | | |
| October 31, 1997, \$170,732,816 | | |
| April 30, 1997, \$158,097,550 | 401,921,455 | 367,468,283 |
| | \$462,312,759 | 427,044,591 |

See notes to consolidated condensed financial statements.

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)
(Continued)

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | |
|-------------------------------------|---------------|-------------|
| Current liabilities: | | |
| Notes payable | \$ 9,800,000 | 2,800,000 |
| Current maturities of | | |
| long-term debt | 9,888,541 | 11,795,806 |
| Accounts payable | 41,257,567 | 37,207,819 |
| Accrued expenses | 17,653,450 | 17,549,230 |
| Income taxes payable | 9,742,026 | 4,433,626 |
| Total current liabilities | 88,341,584 | 73,786,481 |
| Long-term debt, net of | | |
| current maturities | 76,461,003 | 79,685,011 |
| Deferred income taxes | 43,079,000 | 39,579,000 |
| Deferred compensation | 2,271,470 | 2,102,642 |
| Shareholders' equity | | |
| Preferred stock, no par value | -- | -- |
| Common Stock, no par value | 65,249,494 | 64,886,032 |
| Retained earnings | 186,910,208 | 167,005,425 |
| Total shareholders' equity | 252,159,702 | 231,891,457 |
| | \$462,312,759 | 427,044,591 |

See notes to consolidated condensed financial statements.

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(Unaudited)

| | Three Months Ended | | Six Months Ended | |
|---|--------------------|-------------|------------------|-------------|
| | October 31, | | October 31, | |
| | 1997 | 1996 | 1997 | 1996 |
| Net sales | \$317,436,097 | 286,291,027 | 638,090,012 | 573,198,976 |
| Franchise revenue | 1,342,757 | 1,379,406 | 2,710,201 | 2,836,808 |
| | 318,778,854 | 287,670,433 | 640,800,213 | 576,035,784 |
| Cost of goods sold | 249,174,851 | 226,565,820 | 503,455,892 | 455,370,742 |
| Operating expenses | 43,501,739 | 38,825,230 | 85,891,569 | 76,246,543 |
| Depreciation and amortization | 7,446,513 | 6,633,423 | 14,608,003 | 13,008,293 |
| Interest, net | 1,363,093 | 1,340,825 | 2,687,153 | 2,854,369 |
| | 301,486,196 | 273,365,298 | 606,642,617 | 547,479,947 |
| Income before income taxes | 17,292,658 | 14,305,135 | 34,157,596 | 28,555,837 |
| Federal and state income taxes | 6,485,000 | 5,400,000 | 12,809,000 | 10,780,000 |
| Net income | \$ 10,807,658 | 8,905,135 | 21,348,596 | 17,775,837 |
| Earnings per common and common equivalent share | \$.41 | .34 | .81 | .68 |
| Weighted average number of common and common equivalent shares outstanding | 26,352,541 | 26,284,041 | 26,331,789 | 26,289,058 |

See notes to consolidated condensed financial statements.

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

| | Six Months Ended | |
|---|------------------|--------------|
| | October 31, | |
| | 1997 | 1996 |
| Cash flows from operations: | | |
| Net income | \$ 21,348,596 | 17,775,837 |
| Adjustments to reconcile net income to net cash provided by operations: | | |
| Depreciation and amortization | 14,608,003 | 13,008,293 |
| Deferred income taxes | 3,500,000 | 4,000,000 |
| Changes in assets and liabilities: | | |
| Receivables | (252,132) | (855,572) |
| Inventories | (2,372,947) | (4,270,019) |
| Prepaid expenses | (164,578) | 2,880,063 |
| Accounts payable | 4,049,748 | 2,978,992 |
| Accrued expenses | 104,220 | 457,168 |
| Income taxes payable | 5,308,400 | 2,154,000 |
| Other, net | 1,600,418 | 401,062 |
| Net cash provided by operations | 47,729,728 | 38,529,824 |
| Cash flows from investing: | | |
| Purchase of property and equipment | (50,303,535) | (38,669,389) |
| Purchase of investments | (4,844,033) | (7,514,604) |
| Sale of investments | 7,719,725 | 6,892,134 |
| Net cash used in investing activities | (47,427,843) | (39,291,859) |
| Cash flows from financing: | | |
| Payments of long-term debt | (5,131,273) | (4,280,171) |
| Net activity of short-term debt | 7,000,000 | (1,050,000) |
| Proceeds from exercise of stock options | 363,462 | 35,875 |
| Payment of cash dividends | (1,443,813) | (1,311,175) |
| Net cash provided by (used in) financing activities | 788,376 | (6,605,471) |
| Net increase (decrease) in cash and cash equivalents | 1,090,261 | (7,367,506) |
| Cash and cash equivalents at beginning of the year | 3,097,741 | 12,673,855 |
| Cash and cash equivalents at end of the quarter | \$ 4,188,002 | 5,306,349 |

See notes to consolidated condensed financial statements.

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

1. The accompanying consolidated condensed financial statements (unaudited) include the accounts and transactions of the Company and its two wholly-owned subsidiaries, Casey's Marketing Company and Casey's Services Company. All material inter-company balances and transactions have been eliminated in consolidation.

2. The accompanying consolidated condensed financial statements (unaudited) have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. Although management believes that the disclosures are adequate to make the information presented not misleading, it is suggested that these interim consolidated condensed financial statements (unaudited) be read in conjunction with the Company's most recent audited financial statements and notes thereto. In the opinion of management, the accompanying condensed financial statements (unaudited) contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position as of October 31, 1997, and the results of operations for the six and three months ended October 31, 1997 and 1996, and changes in cash flows for the six months ended October 31, 1997 and 1996.

3. The Company's financial condition and results of operations are affected by a variety of factors and business influences, certain of which are described in the Cautionary Statement Relating to Forward-Looking Statements filed as Exhibit 99 to the Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 1997. These interim consolidated condensed financial statements (unaudited) should be read in conjunction with that Cautionary Statement.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Financial Condition and Results of Operations

Casey's derives its revenue from the retail sale of food (including freshly prepared foods such as pizza, donuts and sandwiches), beverages and non-food products such as health and beauty aids, tobacco products, automotive products and gasoline by Company stores and from the wholesale sale of certain grocery and general merchandise items and gasoline to franchised stores. The Company also generates revenues from continuing monthly royalties based on sales by franchised stores, sign and facade rental fees and the provision of certain maintenance, transportation and construction services to the Company's franchisees. A typical store is generally not profitable for its first year of operation due to start-up costs and will usually attain representative levels of sales and profits during its third year of operation.

Due to the nature of the Company's business, most sales are for cash, and cash provided by operations is the Company's primary source of liquidity. The Company finances its inventory purchases primarily from normal trade credit aided by the relatively rapid turnover of inventory. This turnover allows the Company to conduct its operations without large amounts of cash and working capital. As of October 31, 1997, the Company's ratio of current assets to current liabilities was .60 to 1. The ratio at October 31, 1996 and April 30, 1997, was .76 to 1 and .74 to 1, respectively. Management believes that the Company's current \$27,000,000 bank lines of credit (aggregate amount), together with cash flow from operations, will be sufficient to satisfy the working capital needs of its business.

Net cash provided by operations increased \$9,199,904 (23.9%) in the six months ended October 31, 1997 from the comparable period in the prior year, primarily as a result of a larger net income and a larger increase in accounts payable and income taxes payable. Cash flows from investing and financing in the six months ended October 31, 1997 decreased slightly, primarily as a result of increased capital expenditures which were partially offset by the addition of short-term debt. Cash flows in the future are expected to decrease as a result of the anticipated growth in capital expenditures.

Capital expenditures represent the single largest use of Company funds. Management believes that by reinvesting in Company stores, the Company will be better able to respond to competitive challenges and increase operating efficiencies. During the first six months of fiscal 1998, the Company expended \$50,303,535 for property and equipment, primarily for the construction and remodeling of Company stores, compared to \$38,669,389 for the comparable period in the prior year. The Company anticipates expending approximately \$75,000,000 in fiscal 1998 for construction, acquisition and remodeling of Company stores, primarily from funds generated by operations, existing cash and short-term investments and proceeds of the 7.70% Senior Notes due December 15, 2004 (the "7.70% Notes") and the 7.38% Senior Notes due December 28, 2020 (the "7.38% Notes").

As of October 31, 1997, the Company had long-term debt of \$76,461,003, consisting of \$18,750,000 in principal amount of 7.70% Notes, \$30,000,000 in principal amount of 7.38% Notes, \$11,323,346 of mortgage notes payable, \$12,093,750 of unsecured notes payable and \$4,293,907 of capital lease obligations.

Interest on the 7.70% Notes is payable on the 15th day of each month at the rate of 7.70% per annum. Principal of the 7.70% Notes matures in forty quarterly installments beginning March 15, 1995. The Company may prepay the 7.70% Notes in whole or in part at any time in an amount of not less than \$1,000,000 or integral multiples of \$100,000 in excess thereof at a redemption price calculated in accordance with the Note Agreement dated as of February 1, 1993 between the Company and the purchasers of the 7.70% Notes.

Interest on the 7.38% Notes is payable semi-annually on the 28th day of June and December in each year, commencing June 28, 1996, and at maturity, at the rate of 7.38% per annum. The 7.38% Notes mature on December 28, 2020, with prepayments of principal commencing December 28, 2010 and ending June 28, 2020, inclusive, with the remaining principal payable at maturity on December 28, 2020. The Company may prepay the 7.38% Notes in whole or in part at any time in an amount not less than \$1,000,000 or integral multiples of \$100,000 in excess thereof at a redemption price calculated in accordance with the Note Agreement dated as of December 1, 1995 between the Company and Principal Mutual Life Insurance Company, as the purchaser of the 7.38% Notes.

To date, the Company has funded capital expenditures primarily from the proceeds of the sale of Common Stock, issuance of the 6-1/4% Convertible Subordinated Debentures (which were converted into 3,683,064 shares of Common Stock on March 28, 1994), the 7.70% Notes and the 7.38% Notes, a mortgage note, unsecured notes payable and through funds generated from operations. Future capital needs required to finance operations, improvements and the anticipated growth in the number of Company stores are expected to be met from cash generated by operations, existing cash, short-term and long-term investments and additional long-term debt or other securities as circumstances may dictate, and are not expected to adversely affect liquidity. See Part II, Item 5, (captioned "Other Information") herein for a description of certain borrowing arrangements recently approved by the Board of Directors of the Company.

The United States Environmental Protection Agency and several states, including Iowa, have established requirements for owners and operators of underground gasoline storage tanks (USTs) with regard to (i) maintenance of leak detection, corrosion protection and overfill/spill protection systems; (ii) upgrade of existing tanks; (iii) actions required in the event of a detected leak; (iv) prevention of leakage through tank closings; and (v) required gasoline inventory recordkeeping. Since 1984, new Company stores have been equipped with non-corroding fiberglass USTs, including many with double-wall construction, over-fill protection and electronic tank monitoring, and the Company has an active inspection and renovation program with respect to its older USTs. The Company currently has 1,874 USTs, of which 1,538 are fiberglass and 336 are steel. Management believes that its existing gasoline procedures and planned capital expenditures will continue to keep the Company in substantial compliance with all current federal and state UST regulations.

Several of the states in which the Company does business have trust fund programs with provisions for sharing or reimbursing corrective action or remediation costs incurred by UST owners, including the Company. These programs, other than the State of Iowa, generally are in the early stages of operation and the extent of available coverage or reimbursement under such programs for costs incurred by the Company is not fully known at this time. In each of the years ended April 30, 1997 and 1996, the Company spent approximately \$579,000 and \$718,000, respectively, for assessments and remediation. During the six months ended October 31, 1997, the Company expended approximately

\$265,000 for such purposes. Substantially all of these expenditures have been submitted for reimbursement from state-sponsored trust fund programs and as of October 31, 1997, approximately \$4,100,000 has been received from such programs since their inception. Such amounts are typically subject to statutory provisions requiring repayment of the reimbursed funds for noncompliance with upgrade provisions or other applicable laws. The Company has accrued a liability at October 31, 1997 of approximately \$1,600,000 for estimated expenses related to anticipated corrective actions or remediation efforts, including relevant legal and consulting costs. Management believes the Company has no material joint and several environmental liability with other parties.

Management of the Company currently estimates that aggregate capital expenditures for electronic monitoring, cathodic protection and overfill/spill protection will approximate \$1,000,000 through December 23, 1998, in order to comply with the existing UST regulations. Additional regulations, or amendments to the existing UST regulations, could result in future revisions to such estimated expenditures. Such expenditures are expected to be funded as described above, and are not expected to adversely affect liquidity.

Three Months Ended October 31, 1997 Compared to Three Months Ended October 31, 1996

Net sales for the second quarter of fiscal 1998 increased by \$31,145,070 (10.9%) over the comparable period in fiscal 1997. Retail gasoline sales increased by \$19,319,936 (11.9%) as the number of gallons sold increased by 16,226,767 (11.7%) while the average retail price per gallon increased 0.2%. During this same period, retail sales of grocery and general merchandise increased by \$12,862,134 (12.5%) due to the addition of 64 new Company Stores and a greater number of stores in operation for at least three years.

Cost of goods sold as a percentage of net sales was 78.5% for the second quarter of fiscal 1998, compared to 79.1% for the comparable period in the prior year. The gross profit margins on retail gasoline sales increased (8.8%) during the second quarter of fiscal 1998 from the second quarter of the prior year (8.2%) due to the decrease in wholesale gasoline costs during the quarter. The gross profit margin per gallon also increased (to \$.1033) in the second quarter of fiscal 1998 from the comparable period in the prior year (\$.0958). The gross profits on retail sales

of grocery and general merchandise also increased (to 43.3%) from the comparable period in the prior year (42.2%).

Operating expenses as a percentage of net sales were 13.7% for the second quarter of fiscal 1998 compared to 13.6% for the comparable period in the prior year.

Net income increased by \$1,902,523 (21.4%). The increase in net income was attributable primarily to the increase in retail sales of grocery and general merchandise, an increase in the number of gallons of gasoline sold and an increased number of stores in operation for at least three years.

Six Months Ended October 31, 1997 Compared to Six Months Ended October 31, 1996

Net sales for the first six months of fiscal 1998 increased by \$64,891,036 (11.3%) over the comparable period in fiscal 1997. Retail gasoline sales increased by \$40,800,700 (12.6%) as the number of gallons sold increased by 36,726,696 (13.4%) and the average retail price per gallon decreased 0.7%. During this same period, retail sales of grocery and general merchandise increased by \$26,557,707 (12.9%) due to the addition of 64 new Company stores and a greater number of stores in operation for at least three years.

Cost of goods sold as a percentage of net sales was 78.9% for the first six months of fiscal 1998 compared to 79.4% for the comparable period in the prior year. This result occurred because the gross profit margins on retail gasoline sales increased (9.1%) during the first six months of fiscal 1998 from the comparable period in the prior year (8.6%) due to the decrease in wholesale gasoline costs during the period. The gross profit margin per gallon also increased in the first six months of fiscal 1998 (to \$.1068) from the comparable period in the prior year (\$.1017). The gross profits on retail sales of grocery and general merchandise also increased (to 41.5%) from the comparable period in the prior year (40.5%).

Operating expenses as a percentage of net sales were 13.5% for the first six months of fiscal 1998 compared to 13.3% during the comparable period in the prior year. The slight increase in operating expenses as a percentage of net sales was caused primarily by a slight decrease in the average retail price per gallon of gasoline sold (0.7%).

Net income increased by \$3,572,759 (20.1%). The increase in net income was attributable primarily to the increase in retail sales of grocery and general merchandise, an increase in the number of gallons of gasoline sold, and an increased number of stores in operation at least three years.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The Company from time to time is a party to legal proceedings arising from the conduct of its business operations, including proceedings relating to personal injury and employment claims, environmental remediation activities or contamination-related claims, disputes under franchise agreements and claims by state and federal regulatory authorities relating to the sale of products pursuant to state or federal licenses or permits. Management does not believe that the potential liability of the Company with respect to such proceedings pending as of the date of this Form 10-Q is material in the aggregate.

Item 4. Submission of Matters to a Vote of Security Holders.

At the Annual Meeting of shareholders held on September 19, 1997, eight directors were elected for a term of one year. Each of the nominees so elected previously has served as a director of the Company.

The votes cast or withheld for each nominee were as follows:

| | For | Withheld |
|-------------------------|------------|----------|
| Donald F. Lamberti | 22,293,209 | 401,591 |
| Ronald M. Lamb | 22,292,839 | 401,961 |
| Douglas K. Shull | 22,291,739 | 403,061 |
| John G. Harmon | 22,290,212 | 404,588 |
| John R. Fitzgibbon | 22,241,119 | 453,681 |
| Patricia Clare Sullivan | 22,267,825 | 426,975 |
| Kenneth H. Haynie | 22,276,019 | 418,781 |
| John P. Taylor | 22,277,558 | 417,242 |

Item 5. Other Information.

On September 11, 1997, the Company filed a Registration Statement on Form S-3D with respect to a maximum of 500,000 shares of Common Stock to be offered for purchase by shareholders under the Casey's General Stores, Inc. Dividend Reinvestment and Stock Purchase Plan.

On December 1, 1997, the Board of Directors approved of the execution and delivery of a proposed Note Agreement, to be dated as of December 1, 1997, among the Company and Principal Mutual Life Insurance Company, Nippon Life Insurance Company of America and TMG Life Insurance Company (together, the "Purchasers"), under which the Company would issue to the Purchasers \$18,000,000 in aggregate principal amount of 6.55% Senior Notes due on or about December 28, 2003 (the "6.55% Notes"). The proceeds of the 6.55% Notes would be used to pay certain outstanding indebtedness of the Company and the costs of acquiring additional computer equipment for Company operations. Closing of the transaction and issuance of the 6.55% Notes are expected to occur later this month.

Item 6. Exhibits and Reports on Form 8-K.

(a) The following exhibits are filed with this Report or, if so indicated, incorporated by reference:

| Exhibit No. | Description |
|-------------|---|
| 4.2 | Rights Agreement dated as of June 14, 1989 between Casey's General Stores, Inc. and United Missouri Bank of Kansas City, N.A., as Rights Agent(a) and amendments thereto (b),(c),(d) |
| 4.3 | Note Agreement dated as of February 1, 1993 between Casey's General Stores, Inc. and Principal Mutual Life Insurance Company and Nippon Life Insurance Company of America (e) and First Amendment thereto (f) |
| 4.4 | Note Agreement dated as of December 1, 1995 between Casey's General Stores, Inc. and Principal Mutual Life Insurance Company (f) |

| | |
|----|---|
| 11 | Statement regarding computation of per share earnings |
| 27 | Financial Data Schedule |
| 99 | Cautionary Statement Relating to Forward-Looking Statements (g) |

-
- (a) Incorporated by reference from the Registration Statement on Form 8-A (0-12788) filed June 19, 1989 relating to Common Share Purchase Rights.
- (b) Incorporated by reference from the Form 8 (Amendment No. 1 to the Registration Statement on Form 8-A filed June 19, 1989) filed September 10, 1990.
- (c) Incorporated by reference from the Form 8-A/A (Amendment No. 3 to the Registration Statement on Form 8-A filed June 19, 1989) filed March 30, 1994.
- (d) Incorporated by reference from the Form 8-A12G/A (Amendment No. 2 to the Registration Statement on Form 8-A filed June 19, 1989) filed July 29, 1994.
- (e) Incorporated by reference from the Current Report on Form 8-K filed February 18, 1993.
- (f) Incorporated by reference from the Current Report on Form 8-K filed January 11, 1996.
- (g) Incorporated by reference from the Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 1997.
- (b) There were no reports on Form 8-K filed during the quarter for which this Report is filed.

SIGNATURE

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

CASEY'S GENERAL STORES, INC.

Date: December 12, 1997

By: /S/ Douglas K. Shull

Douglas K. Shull, Treasurer
Authorized Officer and
Principal Financial
Officer)

EXHIBIT INDEX

| Exhibit No. | Description | Page |
|-------------|---|------|
| 11 | Statement regarding computation of per share earnings | |
| 27 | Financial Data Schedule | |

CASEY'S GENERAL STORES, INC.
Computation of Per Share Earnings

| | Three Months Ended October 31, | |
|---|-----------------------------------|------------|
| | 1997 | 1996 |
| Weighted average number of common and common equivalent shares: | | |
| Weighted average number of shares outstanding | 26,265,589 | 26,225,206 |
| Shares applicable to stock options | 86,952 | 58,835 |
| | 26,352,541 | 26,284,041 |
| Net income | \$10,807,658 | 8,905,135 |
| Earnings per common and common equivalent share | \$.41 | .34 |

| | Six Months Ended October 31, | |
|---|---------------------------------|------------|
| | 1997 | 1996 |
| Weighted average number of common and common equivalent shares: | | |
| Weighted average number of shares outstanding | 26,257,348 | 26,225,206 |
| Shares applicable to stock options | 74,441 | 63,852 |
| | 26,331,789 | 26,289,058 |
| Net income | \$21,348,596 | 17,775,837 |
| Earnings per common and common equivalent share | \$.81 | .68 |

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE QUARTERLY REPORT ON FORM 10-Q FOR THE FISCAL QUARTER ENDED OCTOBER 31, 1997 OF CASEY'S GENERAL STORES, INC. AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

0000726958

CASEY'S GENERAL STORES, INC.

1

U.S. DOLLARS

| 6-MOS | |
|-------------|-------------|
| | APR-30-1998 |
| | MAY-01-1997 |
| | OCT-31-1997 |
| | 1 |
| | 4,188,002 |
| | 1,624,660 |
| | 2,953,872 |
| | 0 |
| | 38,895,907 |
| | 53,279,665 |
| | 572,654,271 |
| | 170,732,816 |
| | 462,312,759 |
| 88,341,584 | 76,461,003 |
| | 0 |
| | 0 |
| | 65,249,494 |
| | 186,910,208 |
| 462,312,759 | 638,090,012 |
| | 640,800,213 |
| | 503,455,892 |
| | 503,455,892 |
| | 100,499,572 |
| | 0 |
| | 2,687,153 |
| | 34,157,596 |
| | 12,809,000 |
| 21,348,596 | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 21,348,596 |
| | .81 |
| | .81 |

SHORT-TERM INVESTMENTS

LONG-TERM DEBT, NET OF CURRENT MATURITIES

RETAINED EARNINGS