
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 31, 2024
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 001-34700

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 SE Convenience Blvd., Ankeny, Iowa
(Address of principal executive offices)

50021
(Zip Code)

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

Securities Registered pursuant to Section 12(b) of the Act

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value per share	CASY	The NASDAQ Global Select Market

Securities Registered pursuant to Section 12(g) of the Act

NONE

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 No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Smaller reporting company

Accelerated filer
 Emerging growth company

Non-accelerated filer

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

Class
Common stock, no par value per share

Outstanding at December 5, 2024
37,117,554 shares

CASEY'S GENERAL STORES, INC.

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PART I—FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

**CASEY’S GENERAL STORES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS**

*(Unaudited)
(DOLLARS IN THOUSANDS)*

	October 31, 2024	April 30, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 351,723	\$ 206,482
Receivables	156,407	151,793
Inventories	432,268	428,722
Prepaid and other current assets	38,296	25,791
Income taxes receivable	—	17,066
Total current assets	<u>978,694</u>	<u>829,854</u>
Restricted cash (see Note 9)	1,160,118	—
Other assets, net of amortization	192,704	195,559
Goodwill	657,529	652,663
Property and equipment, net of accumulated depreciation of \$2,981,245 at October 31, 2024 and \$2,883,925 at April 30, 2024	4,736,525	4,669,357
Total assets	<u>\$ 7,725,570</u>	<u>\$ 6,347,433</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities of long-term debt and finance lease obligations	\$ 245,558	\$ 53,181
Accounts payable	573,320	569,527
Accrued expenses	296,374	330,758
Income taxes payable	1,284	—
Total current liabilities	<u>1,116,536</u>	<u>953,466</u>
Long-term debt and finance lease obligations, net of current maturities	2,461,922	1,582,758
Deferred income taxes	608,904	596,850
Insurance accruals, net of current portion	30,227	30,046
Other long-term liabilities	170,535	168,932
Total liabilities	<u>4,388,124</u>	<u>3,332,052</u>
Shareholders' equity:		
Preferred stock, no par value	—	—
Common stock, no par value	25,988	27,453
Retained earnings	3,311,458	2,987,928
Total shareholders' equity	<u>3,337,446</u>	<u>3,015,381</u>
Total liabilities and shareholders' equity	<u>\$ 7,725,570</u>	<u>\$ 6,347,433</u>

See notes to unaudited condensed consolidated financial statements.

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(AMOUNTS IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Total revenue	\$ 3,946,771	\$ 4,064,400	\$ 8,044,508	\$ 7,933,651
Cost of goods sold (exclusive of depreciation and amortization, shown separately below)	2,988,212	3,178,839	6,130,693	6,170,336
Operating expenses	609,679	579,703	1,219,153	1,140,558
Depreciation and amortization	96,592	85,598	191,001	168,503
Interest, net	12,553	12,306	26,620	24,801
Income before income taxes	239,735	207,954	477,041	429,453
Federal and state income taxes	58,817	49,172	115,925	101,434
Net income	<u>\$ 180,918</u>	<u>\$ 158,782</u>	<u>\$ 361,116</u>	<u>\$ 328,019</u>
Net income per common share				
Basic	<u>\$ 4.87</u>	<u>\$ 4.27</u>	<u>\$ 9.73</u>	<u>\$ 8.80</u>
Diluted	<u>\$ 4.85</u>	<u>\$ 4.24</u>	<u>\$ 9.68</u>	<u>\$ 8.76</u>
Basic weighted average shares outstanding	37,124,541	37,227,932	37,105,886	37,264,442
Plus effect of stock compensation	186,938	203,143	202,392	187,811
Diluted weighted average shares outstanding	<u>37,311,479</u>	<u>37,431,075</u>	<u>37,308,278</u>	<u>37,452,253</u>

See notes to unaudited condensed consolidated financial statements.

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)
(AMOUNTS IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	Shares Outstanding	Common Stock	Retained Earnings	Shareholders' Equity
Balance at April 30, 2024	37,008,488	\$ 27,453	\$ 2,987,928	\$ 3,015,381
Net income	—	—	180,198	180,198
Dividends declared (50 cents per share)	—	—	(18,763)	(18,763)
Share-based compensation (net of tax withholding on employee share-based awards)	102,663	(13,896)	—	(13,896)
Balance at July 31, 2024	37,111,151	13,557	3,149,363	3,162,920
Net income	—	—	180,918	180,918
Dividends declared (50 cents per share)	—	—	(18,823)	(18,823)
Share-based compensation (net of tax withholding on employee share-based awards)	5,830	12,431	—	12,431
Balance at October 31, 2024	37,116,981	\$ 25,988	\$ 3,311,458	\$ 3,337,446
	Shares Outstanding	Common Stock	Retained Earnings	Shareholders' Equity
Balance at April 30, 2023	37,263,248	\$ 110,037	\$ 2,550,629	\$ 2,660,666
Net income	—	—	169,237	169,237
Dividends declared (43 cents per share)	—	—	(16,214)	(16,214)
Repurchase of common stock	(123,569)	(29,893)	—	(29,893)
Share-based compensation (net of tax withholding on employee share-based awards)	126,774	(7,501)	—	(7,501)
Balance at July 31, 2023	37,266,453	72,643	2,703,652	2,776,295
Net income	—	—	158,782	158,782
Dividends declared (43 cents per share)	—	—	(16,160)	(16,160)
Repurchase of common stock	(110,481)	(30,391)	—	(30,391)
Share-based compensation (net of tax withholding on employee share-based awards)	8,223	8,865	—	8,865
Balance at October 31, 2023	37,164,195	\$ 51,117	\$ 2,846,274	\$ 2,897,391

See notes to unaudited condensed consolidated financial statements.

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

	Six months ended October 31,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 361,116	\$ 328,019
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	191,001	168,503
Amortization of debt issuance costs	555	555
Change in excess replacement cost over LIFO inventory valuation	6,398	7,946
Share-based compensation	23,645	19,485
Loss (gain) on disposal of assets and impairment charges	4,422	(232)
Deferred income taxes	12,054	39,353
Changes in assets and liabilities:		
Receivables	(855)	(21,897)
Inventories	(8,723)	(44,714)
Prepaid and other current assets	(12,505)	(10,693)
Accounts payable	(9,902)	(10,400)
Accrued expenses	(36,228)	(20,925)
Income taxes	20,780	21,992
Other, net	299	4,788
Net cash provided by operating activities	<u>552,057</u>	<u>481,780</u>
Cash flows from investing activities:		
Purchase of property and equipment	(211,226)	(175,955)
Payments for acquisition of businesses, net of cash acquired	(46,341)	(139,359)
Proceeds from sales of assets	11,720	8,291
Net cash used in investing activities	<u>(245,847)</u>	<u>(307,023)</u>
Cash flows from financing activities:		
Proceeds from long-term debt	1,100,000	—
Payments of long-term debt and finance lease obligations	(34,637)	(35,135)
Payments of debt issuance costs	(5,191)	—
Payments of cash dividends	(35,179)	(30,988)
Repurchase of common stock and payment of related excise taxes	(734)	(59,491)
Tax withholdings on employee share-based awards	(25,110)	(18,121)
Net cash provided by (used) in financing activities	<u>999,149</u>	<u>(143,735)</u>
Net increase in cash, cash equivalents and restricted cash	1,305,359	31,022
Cash and cash equivalents at beginning of the period	206,482	378,869
Cash, cash equivalents and restricted cash at end of the period	<u>\$ 1,511,841</u>	<u>\$ 409,891</u>

RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH

	Six months ended October 31,	
	2024	2023
Cash and cash equivalents	\$ 351,723	\$ 409,891
Restricted cash (see Note 9)	1,160,118	—
Total cash, cash equivalents and restricted cash shown in the statement of cash flows	<u>\$ 1,511,841</u>	<u>\$ 409,891</u>

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

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION

	Six months ended October 31,	
	2024	2023
Cash paid during the period for:		
Interest, net of amount capitalized	\$ 33,516	\$ 31,429
Income taxes, net	82,507	36,037
Noncash investing and financing activities:		
Purchased property and equipment in accounts payable	59,312	78,684
Right-of-use assets obtained in exchange for new finance lease liabilities	11,210	11,216
Right-of-use assets obtained in exchange for new operating lease liabilities	—	8,273

See notes to unaudited condensed consolidated financial statements.

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

(Dollars in Thousands, Except Share and Per Share Amounts)

1. Presentation of Financial Statements

As of October 31, 2024, Casey's General Stores, Inc. and its subsidiaries (hereinafter referred to as the "Company" or "Casey's") operate 2,685 convenience stores in 17 states, primarily in the Midwest. Many of the stores are located in smaller communities, often with populations of less than 20,000.

The accompanying condensed consolidated financial statements include the accounts and transactions of Casey's General Stores, Inc. and its direct and indirect wholly-owned subsidiaries. All material intercompany balances and transactions have been eliminated in consolidation.

2. Basis of Presentation

The accompanying condensed consolidated financial statements 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 U.S. generally accepted accounting principles (GAAP) have been condensed or omitted pursuant to such rules and regulations.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

In the opinion of management, the accompanying condensed consolidated financial statements contain all adjustments necessary to present fairly the financial position as of October 31, 2024 and April 30, 2024, the results of operations for the three and six months ended October 31, 2024 and 2023, and shareholders' equity and cash flows for the six months ended October 31, 2024 and 2023. Although management believes that the disclosures are adequate to make the information presented not misleading, it is suggested that these interim condensed consolidated financial statements be read in conjunction with the Company's most recent audited financial statements and notes thereto. Additionally, see the Form 10-K for the year ended April 30, 2024 for our consideration of new accounting pronouncements issued prior to this fiscal year.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses (Subtopic 220-40)*. The standard requires new financial statement disclosures regarding specified information about certain costs and expenses. The new standard is effective for the Company's annual periods beginning May 1, 2027, and interim periods beginning May 1, 2028, with early adoption permitted. The Company is currently evaluating ASU 2024-03 to determine its impact on our disclosures.

3. Revenue and Cost of Goods Sold

The Company recognizes retail sales of prepared food and dispensed beverage, grocery and general merchandise, fuel and other revenue at the time of the sale to the guest. Sales taxes collected from guests and remitted to the government are recorded on a net basis in the condensed consolidated statements of income.

A portion of revenue from sales that include points under our Casey's Rewards program is deferred. The deferred portion of the sale represents the value of the estimated future redemption of the points. The amounts related to points are deferred until their redemption or expiration. Revenue related to the points issued is expected to be recognized less than one year from the original sale to the guest. As of October 31, 2024 and April 30, 2024, the Company recognized a contract liability of \$59,077 and \$52,934, respectively, related to the Casey's Rewards program, which is included in accrued expenses on the condensed consolidated balance sheets.

Gift card related revenue is recognized as the gift cards are used by the guest. Gift card breakage revenue is recognized based on the estimated gift card breakage rate over the pro rata usage of the card. As of October 31, 2024 and April 30, 2024, the Company recognized a liability of \$16,731 and \$17,985, respectively, related to outstanding gift cards, which is included in accrued expenses on the condensed consolidated balance sheets.

The Company often receives vendor allowances on the basis of quantitative contract terms that vary by product and vendor or directly on the basis of purchases made. Vendor allowances include rebates and other funds received from

vendors to promote their products. These amounts are recognized in the period earned based on the applicable rebate agreement. Reimbursements of an operating expense (e.g., advertising) are recorded as reductions of the related expense.

Renewable identification numbers (“RINs”) are assigned to gallons of renewable fuels produced and are used to track compliance with the renewable fuel standard. At times, we purchase fuel components (ethanol, gasoline, biodiesel or diesel) and blend those components into a finished product in a fuel truck. This process enables the Company to take title to the RIN assigned to each gallon of ethanol or biodiesel produced. RINs are recorded as a reduction in cost of goods sold at the contracted sales price, in the period when the Company transfers the RIN. The Company does not record inventories on the balance sheet related to RINs, as they are acquired at no cost to the Company.

The Company includes in cost of goods sold the costs incurred to acquire fuel and merchandise, including excise taxes, less vendor allowances, vendor rebates and RINs. Warehousing costs are recorded within operating expenses on the condensed consolidated statements of income.

4. *Long-Term Debt and Finance Lease Obligations, Lines of Credit and Fair Value Disclosure*

The fair value of the Company’s long-term debt (including current maturities) is estimated based on the current rates offered to the Company for debt of the same or similar issuances. The fair value of the Company’s long-term debt was approximately \$2,473,000 and \$1,375,000 at October 31, 2024 and April 30, 2024, respectively. The fair value calculated excludes finance lease obligations of \$108,641 and \$101,818 outstanding at October 31, 2024 and April 30, 2024, respectively, which are included with long-term debt on the condensed consolidated balance sheets.

Interest, net on the condensed consolidated statements of income is net of interest income of \$3,792 and \$6,177, for the three and six months ended October 31, 2024, and \$4,476 and \$8,052, for the three and six months ended October 31, 2023. Interest, net is also net of interest capitalized of \$489 and \$908, for the three and six months ended October 31, 2024, and \$686 and \$1,480, for the three and six months ended October 31, 2023, respectively.

Series I and J Senior Notes

On October 4, 2024, the Company entered into a note purchase agreement with respect to the issuance of \$250,000 aggregate principal amount of senior notes, consisting of: (i) \$150,000 aggregate principal amount of 5.23% Senior Notes, Series I, due November 2, 2031; and (ii) \$100,000 aggregate principal amount of 5.43% Senior Notes, Series J, due November 2, 2034 (collectively, the “Notes”). The Notes were issued on October 30, 2024. Interest on the Notes is payable semi-annually on May 2 and November 2 of each year. The Company used the proceeds of the Notes to partially fund the Fikes Wholesale acquisition, which closed subsequent to quarter end on November 1, 2024. For additional information on the Fikes Wholesale acquisition, please refer to Note 9. As of October 31, 2024, there was \$250,000 outstanding on the Notes.

Amended Credit Agreement

The Company is party to a credit agreement, dated as of April 21, 2023 (the “Existing Credit Agreement”). On October 30, 2024, the Company entered into an amendment to the Existing Credit Agreement (the “Amendment” and, together with the Existing Credit Agreement, the “Credit Agreement”), pursuant to which the Company incurred an incremental term loan in an aggregate principal amount of \$850,000 (the “Incremental Term Loan”). The outstanding principal balance of the Incremental Term Loan is required to be repaid in equal quarterly installments of \$10,625 on the last business day of each March, June, September, and December, commencing March 31, 2025, with the remaining balance due on October 30, 2029. The proceeds of the Incremental Term Loan were used to partially fund the Fikes Wholesale acquisition, which closed subsequent to quarter end on November 1, 2024 (see further discussion of the Fikes Wholesale acquisition in Note 9). As of October 31, 2024, there was \$850,000 outstanding on the Incremental Term Loan.

Amounts borrowed under the Credit Agreement, including the Incremental Term Loan and the Revolving Facility discussed immediately below, bear interest at variable rates based upon, at the Company’s option, either: (a) either Term SOFR or Daily Simple SOFR, in each case plus 0.10% (with a floor of 0.00%) for the interest period in effect, plus an applicable margin ranging from 1.10% to 1.70% or (b) an alternate base rate, which generally equals the highest of (i) the prime commercial lending rate announced by the Administrative Agent as its “prime rate”, (ii) the federal funds rate plus 1/2 of 1.00%, and (iii) Adjusted Daily Simple SOFR plus 1.00%, each plus an applicable margin ranging from 0.10% to 0.70% and each with a floor of 1.00%. The applicable margins and facility fee, in each case, are dependent upon the Company’s quarterly Consolidated Leverage Ratio, as defined in the credit agreement.

Revolving Facility

The Credit Agreement also provides for an \$850,000 unsecured revolving credit facility (“Revolving Facility”). The Company had \$0 outstanding under the Revolving Facility at October 31, 2024 and April 30, 2024.

Bank Line

The Company has an additional unsecured bank line of credit (the "Bank Line") with availability of up to \$50,000. As of October 31, 2024, the availability under the Bank Line is encumbered by letters of credits totaling \$308. The Bank Line bears interest at a variable rate subject to change from time to time based on changes in an independent index referred to in the Bank Line as the Federal Funds Offered Rate. There was \$0 outstanding under the Bank Line at October 31, 2024 and April 30, 2024. The Bank Line is due upon demand.

5. Compensation Related Costs and Share-Based Payments

The 2018 Stock Incentive Plan (the "2018 Plan") was approved by the Company's shareholders on September 5, 2018. Awards under the 2018 Plan may take the form of stock options, stock appreciation rights, restricted stock, restricted stock units and other equity-based and equity-related awards. Each share issued pursuant to a stock option and each share with respect to which a stock-settled stock appreciation right is exercised (regardless of the number of shares actually delivered) is counted as one share against the maximum limit under the 2018 Plan, and each share issued pursuant to an award of restricted stock or restricted stock units is counted as two shares against the maximum limit. Restricted stock is transferred immediately upon grant (and may be subject to a holding period), whereas restricted stock units have a vesting period that must expire, and in some cases performance or market conditions that must be satisfied before the stock is transferred. At October 31, 2024, there were 950,954 shares available for grant under the 2018 Plan.

We account for share-based compensation by estimating the grant date fair value of time-based and performance-based restricted stock unit awards using the closing price of our common stock on the applicable grant date, or the date on which performance goals for performance-based units are established, if after the grant date. Forfeitures are recognized as they occur.

The time-based awards most commonly vest ratably over a three-year period commencing on the first anniversary of the grant date. The performance-based awards represent a "target" amount; the final amount earned is based on the satisfaction of certain performance measures over a three-year performance period and will range from 0% to 200% of "target." Additionally, if the Company's relative total shareholder return over the performance period is in the bottom or top quartile of the companies comprising the S&P 500, the performance-based shares included will be adjusted downward by 25%, or upward by 25%, respectively (the "TSR Modifier"). The fair value of the awards with the TSR Modifier is determined using a Monte Carlo simulation as of the date of the grant. For market-based awards, the share-based compensation expense will not be adjusted should the target awards vary from actual awards.

We recognize these amounts as an operating expense in our condensed consolidated statements of income ratably over the requisite service period using the straight-line method, as adjusted for certain retirement provisions, and updated estimates of shares to be issued under performance-based awards. All awards have been granted at no cost to the grantee.

Information concerning the unvested restricted stock units under the 2018 Plan is presented in the following table. No stock option awards have been granted under the 2018 Plan.

	Shares	Weighted-Average Grant Date Fair Value per Share
Unvested at April 30, 2024	491,862	\$ 229
Granted	107,929	341
Vested	(176,287)	223
Forfeited	(3,562)	250
Performance Award Adjustments	21,266	246
Unvested at October 31, 2024	<u>441,208</u>	<u>\$ 260</u>

Total share-based compensation costs recorded for employees and non-employee directors for the six months ended October 31, 2024 and 2023 were \$23,645 and \$19,485, respectively, related entirely to restricted stock unit awards. As of October 31, 2024, there was \$56,444 of unrecognized compensation costs related to restricted stock units which are expected to be recognized through fiscal 2028, with a weighted average remaining term of 1.3 years. The fair value of restricted stock unit awards vested for the six months ended October 31, 2024 was \$64,615 as of the applicable vest date.

6. Commitments and Contingencies

From time to time we may be involved in legal or administrative proceedings or investigations arising from the conduct of our business operations, including, but not limited to, contractual or other general business disputes; employment, personnel, or accessibility matters; personal injury and property damage claims; claims by federal, state, and local

regulatory authorities relating to the sale of products pursuant to licenses and permits issued by those authorities; and, other claims or proceedings. Claims for damages in those actions may be substantial. While the outcome of such litigation, proceedings, investigations, or claims is never certain, it is our opinion, after taking into consideration legal counsel's assessment and the availability of insurance proceeds and other collateral sources to cover potential losses, that the ultimate disposition of such matters currently pending or threatened, individually or cumulatively, will not have a material adverse effect on our consolidated financial position and results of operations.

The Company is named as a defendant in a lawsuit filed in the United States District Court for the Northern District of Indiana, titled *McColley v. Casey's General Stores, Inc.*, in which the plaintiff alleges that the Company misclassified its Store Managers as exempt employees under the Fair Labor Standards Act (FLSA). The complaint seeks unpaid wages, liquidated damages and attorneys' fees for the plaintiff and all similarly situated Store Managers who worked at the Company from February 16, 2015, to the present. On March 31, 2021, the Court granted conditional certification, and to-date, approximately 1,400 current and/or former Store Managers remain opted-in to participate in the *McColley* lawsuit. The Company is also named in a related lawsuit filed in the Southern District of Illinois, titled *Kessler v. Casey's Marketing Company, et al.*, with substantially the same allegations and seeking the same relief, but instead for the plaintiff and all similarly situated Store Managers located in the state of Illinois from December 19, 2019, to the present. On October 13, 2023, the Court approved conditional certification, and to-date, approximately 550 current and/or former Store Managers remain opted-in to participate in the *Kessler* lawsuit. Discovery in the *McColley* case is currently underway. The Company believes that adequate provisions have been made for probable losses related to these matters, and that those, and the reasonably possible losses in excess of amounts accrued, where such range of loss can be estimated, are not material to the Company's financial position, results of operations or cash flows. The Company believes that its Store Managers are properly classified as exempt employees under the FLSA and it intends to continue to vigorously defend these matters.

7. *Unrecognized Tax Benefits*

The total amount of gross unrecognized tax benefits was \$12,328 and \$10,747 at October 31, 2024 and April 30, 2024, respectively. If this unrecognized tax benefit were ultimately recognized, \$9,739 is the amount that would impact our effective tax rate. The total net amount of accrued interest and penalties for such unrecognized tax benefits was \$504 at October 31, 2024, and \$350 at April 30, 2024. Net interest and penalties included in income tax expense for the six months ended October 31, 2024 and 2023 was a net expense of \$154 and \$129, respectively.

A number of years may elapse before an uncertain tax position is audited and ultimately settled. It is difficult to predict the ultimate outcome or the timing of resolution for uncertain tax positions. It is reasonably possible that the amount of unrecognized tax benefits could significantly increase or decrease within the next twelve months. These changes could result from the expiration of the statute of limitations, examinations or other unforeseen circumstances. The State of Illinois is currently examining tax years 2020 and 2021. The Company has no other ongoing federal or state income tax examinations. At this time, the Company's best estimate of the reasonably possible change in the amount of the gross unrecognized tax benefits is a decrease of \$2,000 during the next twelve months mainly due to the expiration of certain statute of limitations.

The federal statute of limitations remains open for the tax years 2020 and forward. Tax years 2019 and forward are subject to audit by state tax authorities depending on open statute of limitations waivers and the tax code of each state.

8. *Segment Reporting*

As of October 31, 2024, we operated 2,685 stores in 17 states. Our convenience stores offer a broad selection of merchandise, fuel and other products and services designed to appeal to the convenience needs of our guests. We manage the business on the basis of one operating segment and therefore, have only one reportable segment. Our stores sell similar products and services, use similar processes to sell those products and services, and sell their products and services to similar classes of guests. We make specific disclosures concerning the three broad categories of fuel, grocery and general merchandise, and prepared food and dispensed beverage because it allows us to more effectively discuss trends and operational initiatives within our business and industry. Although we can separate revenue and cost of goods sold within these categories (and further sub-categories), the operating expenses associated with operating a store that sells these products are not separable by these three categories.

9. *Subsequent Events*

Subsequent to quarter end, on November 1, 2024, the Company closed on the acquisition of Fikes Wholesale, owner of CEFCO Convenience Stores, and Group Petroleum Services (collectively "Fikes") through an equity purchase agreement with an aggregate purchase price of \$1,145,000, subject to post-closing adjustments. As part of the acquisition, the Company acquired 100% of the equity of Fikes. The transaction includes 198 retail locations, a fuel terminal,

commissary, and dealer network, where the Company will manage fuel wholesale supply agreements to certain dealer locations. The acquisition will bring 148 additional stores to Texas, as well as 50 stores in Alabama, Florida, and Mississippi.

The Fikes acquisition was financed with the Incremental Term Loan of \$850,000, the issuance of the Series I and J Notes in the amount of \$250,000, and cash on hand. For further information, see Note [4](#).

The proceeds of the Incremental Term Loan and Series I and J Notes were received by the Company on October 30, 2024. However, the Fikes acquisition did not close until November 1, 2024, subsequent to quarter end. As such, as of October 31, 2024 the Company had \$1,160,118 in a funding account governed by an escrow and disbursing agreement, primarily to use for the acquisition of Fikes, as well as other related adjustments and transaction costs. As a result, we have recognized this balance as restricted cash within long-term assets in the condensed consolidated balance sheets. The cash was subsequently paid on November 1, 2024, primarily to fund the acquisition.

Due to the proximity of the Fikes acquisition to the filing of our Form 10-Q, we have not yet completed the accounting for the business combination, including the opening balance sheet. Accordingly, the Company is unable to provide amounts recognized as of the acquisition dates for major classes of assets and liabilities. Moreover, we are unable to provide pro-forma financial information related to the combined entity. This information, at least on a provisional basis, will be available in the Form 10-Q to be filed for the quarter ended January 31, 2025.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Dollars in Thousands).**Overview**

As of October 31, 2024, Casey's General Stores, Inc. and its direct and indirect wholly-owned subsidiaries operate convenience stores primarily under the names "Casey's" and "Casey's General Store" (collectively, with the stores below referenced as "GoodStop", "Bucky's", "Minit Mart", or "Lone Star Food Store", referred to as "Casey's" or the "Company") throughout 17 states, over half of which are located in Iowa, Missouri and Illinois. Subsequent to quarter-end, on November 1, 2024, the Company closed on the acquisition of Fikes Wholesale and Group Petroleum Services (collectively "Fikes"), owner of CEFCO Convenience Stores, in which we added 198 total stores. The acquisition will bring 148 additional stores to Texas, as well as 50 stores in Alabama, Florida, and Mississippi.

Approximately 72% of all stores were opened in areas with populations of fewer than 20,000 persons. The Company competes on the basis of price, as well as on the basis of traditional features of convenience store operations such as location, extended hours, product offerings, and quality of service. As of October 31, 2024, there were a total of 2,685 stores in operation.

All convenience stores carry a broad selection of food items (including, but not limited to, freshly prepared foods such as regular and breakfast pizza, donuts, hot breakfast items, and hot and cold sandwiches), beverages, tobacco and nicotine products, health and beauty aids, automotive products, and other nonfood items. As of October 31, 2024, 236 store locations offered car washes. In addition, all but six store locations offer fuel for sale on a self-service basis.

The Company had 64 stores operating under the "GoodStop (by Casey's)" brand and 12 stores operating under the "Lone Star Food Store" brand as of October 31, 2024. Similar to most of our store footprint, the "GoodStop" and "Lone Star Food Store" locations offer fuel for sale on a self-serve basis, and a broad selection of snacks, beverages, tobacco products, and other essentials. However, some of these locations do not have a kitchen and have limited prepared food offerings.

The Company is also temporarily operating certain locations acquired from Buchanan Energy under the name "Bucky's". The Company is in the process of transitioning all "Bucky's" locations to either the "Casey's" or "GoodStop" brand. These locations typically have similar offerings to the "Casey's" or "GoodStop" branded stores.

The Company has 71 dealer locations, where Casey's manages fuel wholesale supply agreements to these stores. These locations are not operated by Casey's and are not included in our overall store count in the table below. Approximately 1% of total revenue for the six-months ended October 31, 2024 relates to this dealer network.

The Company operates three distribution centers, through which certain grocery and general merchandise and prepared food and dispensed beverage items are supplied to our stores. One distribution center is adjacent to our corporate headquarters, which we refer to as the Store Support Center facility in Ankeny, Iowa. The other two distribution centers are located in Terre Haute, Indiana and Joplin, Missouri.

The Company's business is seasonal, and generally experiences higher sales and profitability during the first and second fiscal quarters (May-October), when guests tend to purchase greater quantities of fuel and certain convenience items such as beer, sports drinks, water, soft drinks and ice.

The Company reported diluted earnings per common share of \$4.85 for the second quarter of fiscal 2025. For the same quarter a year-ago, diluted earnings per common share was \$4.24.

The following table represents the roll forward of store growth through the second quarter of fiscal 2025:

	Store Count
Total stores at April 30, 2024	2,658
New store construction	18
Acquisitions	18
Closed	(9)
Total stores at October 31, 2024	2,685

The acquisition of Fikes, subsequent to quarter end, as discussed in Note 9, brought 198 additional stores into our store count. This brought the total store count to approximately 2,900 stores.

Fuel Volatility

Since early calendar 2020, the price of crude oil, and in turn the wholesale cost of refined fuel products, has been volatile compared to historical averages. Initially, at the outset of the COVID-19 pandemic, oil and fuel prices fell dramatically; however, as the economy in general began to emerge from the pandemic, prices began to modestly increase over time. Oil and fuel prices continued to be impacted throughout fiscal 2024 and through the second quarter of fiscal 2025 as a result of geopolitical issues and localized supply disruptions.

In addition, during the past four calendar years, the Company, and the retail fuel industry, has experienced historically high average revenue less cost of goods sold per gallon (excluding depreciation and amortization). Although this has remained relatively consistent since that time, this metric can fluctuate significantly, and sometimes unpredictably, in the short-term. While the Company believes that its average revenue less cost of goods sold per gallon (excluding depreciation and amortization) may remain elevated from historical levels for the foreseeable future, it is possible that increased oil and fuel prices, higher interest rates, macroeconomic conditions and/or continuing conflicts or disruptions involving oil producing countries may materially impact the performance of this metric.

Electric Vehicles and Renewable Fuels

Casey's continues its process of implementing an electric vehicle ("EV") strategy and our management team remains committed to understanding if and how the increased demand for, and usage of, EVs impacts consumer behavior across our store footprint and beyond. As consumer demand for alternative fuel options continues to grow, Casey's has continued to add EV charging stations across our 17-state footprint. As of October 31, 2024, the Company has 178 charging stations at 41 stores, across 13 states. Our EV growth strategy is currently designed to selectively increase our charging stations at locations within our region where we see higher levels of consumer EV buying trends and demand for EV charging. To date, consumer EV demand within our Midwest footprint has been comparatively lower than the levels along the coasts. As EV demand from our guests increases, we are prepared to strategically integrate charging stations at select stores.

The Company also remains committed to offering renewable fuel options at our stores and continues to expand its alternative fuel options in response to evolving guest needs and as part of its environmental stewardship efforts. Currently, almost all of our stores offer fuel with at least 10% of blended ethanol and 43% of our stores offer biodiesel. Every newly built store has the capability to sell renewable fuels, and we aim to continue growing sales of renewable fuels throughout our footprint.

Same-Store Sales

Same-store sales is a common metric used in the convenience store industry. We define same-store sales as the total sales increase (or decrease) for stores open during the full time of both periods being presented. When comparing data, the store must be open for each entire fiscal period being compared. Remodeled stores that remained open or were closed for just a very brief period of time (i.e., less than a week) during the period being compared remain in the same-store sales comparison. If a store is replaced, either at the same location (i.e., razed and rebuilt) or relocated to a new location, it is removed from the comparison until the new store has been open for each entire period being compared. Newly constructed and acquired stores do not enter the calculation until they are open for each entire period being compared.

Same-store sales of prepared food and dispensed beverage increased 5.2% and grocery and general merchandise increased 3.6% during the quarter. The increase in prepared food and dispensed beverage same-store sales was attributable to strong sales of hot sandwiches and dispensed beverages. The increase in grocery and general merchandise same-store sales was primarily due to sales of non-alcoholic and alcoholic beverages. Additionally, the second quarter results reflected a 0.6% decrease in same-store fuel gallons sold.

**Three Months Ended October 31, 2024 Compared to
Three Months Ended October 31, 2023**
(Dollars and Amounts in Thousands)

Three Months Ended October 31, 2024	Prepared Food & Dispensed Beverage	Grocery & General Merchandise	Fuel	Other	Total
Revenue	\$ 417,827	\$ 1,049,697	\$ 2,414,632	\$ 64,615	\$ 3,946,771
Revenue less cost of goods sold (excluding depreciation and amortization)	\$ 245,458	\$ 374,193	\$ 312,252	\$ 26,656	\$ 958,559
	58.7 %	35.6 %	12.9 %	41.3 %	24.3 %
Fuel gallons sold			775,914		
Three Months Ended October 31, 2023	Prepared Food & Dispensed Beverage	Grocery & General Merchandise	Fuel	Other	Total
Revenue	\$ 382,481	\$ 964,430	\$ 2,646,478	\$ 71,011	\$ 4,064,400
Revenue less cost of goods sold (excluding depreciation and amortization)	\$ 225,664	\$ 327,600	\$ 308,835	\$ 23,462	\$ 885,561
	59.0 %	34.0 %	11.7 %	33.0 %	21.8 %
Fuel gallons sold			730,439		

Total revenue for the second quarter of fiscal 2025 decreased by \$117,629 (2.9%) over the comparable period in fiscal 2024. Prepared food and dispensed beverage revenue increased by \$35,346 (9.2%), due to an increase in same-store sales of 5.2% driven by strong sales of hot sandwiches and dispensed beverages, as well as an increase of approximately 4.0% due to operating 93 more stores than a year ago. Grocery and general merchandise revenue increased by \$85,267 (8.8%), due to an increase in same-store sales of 3.6% driven by sales of non-alcoholic and alcoholic beverages, as well as an increase of approximately 5.2% due to operating 93 more stores than a year ago. Retail fuel revenue decreased by \$231,846 (8.8%) due to a decrease in the average retail price per gallon of 14.1%. This was partially offset by an increase in the number of gallons sold of 45,475 (6.2%).

The other revenue category primarily consists of activity related to wholesale fuel revenue from the dealer network and car wash revenue, which are both presented gross of applicable costs, as well as lottery, which is presented net of applicable costs. Other revenue decreased \$6,396 (9.0%) for the second quarter of fiscal 2025 compared to the prior year, driven primarily by a decrease in total revenue related to the dealer network.

Total revenue less cost of goods sold (excluding depreciation and amortization) was 24.3% of revenue for the second quarter of fiscal 2025, compared to 21.8% for the comparable period in the prior year. Prepared food and dispensed beverage revenue less related cost of goods sold (exclusive of depreciation and amortization) was relatively consistent at 58.7% of revenue, compared to 59.0% of revenue for the comparable period in the prior year. Grocery and general merchandise revenue less related cost of goods sold (exclusive of depreciation and amortization) increased to 35.6% of revenue for the second quarter of fiscal 2025, compared to 34.0% for the comparable period in the prior year, driven primarily by product mix.

Fuel revenue less related cost of goods sold (exclusive of depreciation and amortization) was 12.9% of fuel revenue during the second quarter of fiscal 2025, compared to 11.7% for the comparable period in the prior year. Revenue per gallon less cost of goods sold (exclusive of depreciation and amortization) per gallon decreased to 40.2 cents in the second quarter of fiscal 2025, compared to 42.3 cents for the comparable period in the prior year. The Company sold 6.3 million RINs (renewable identification numbers) for \$4,923 during the quarter, compared to the sale of 6.9 million RINs in the second quarter of the prior year, which generated \$8,429 (see Note 3, above, for a further description of RINs and how they are generated).

Operating expenses increased \$29,976 (5.2%) to \$609,679 in the second quarter of fiscal 2025. Approximately 4% of the increase is due to operating 93 more stores than the comparable period in the prior year. Same-store employee expense contributed to approximately 1% of the increase, as the increases in labor rates were partially offset by a reduction in same-store labor hours.

Depreciation and amortization expense increased \$10,994 (12.8%) to \$96,592 in the second quarter of fiscal 2025, primarily due to operating 93 more stores than a year ago.

Interest, net increased \$247 (2.0%) to \$12,553 in the second quarter of fiscal 2025, due to a decrease in interest income.

The effective tax rate increased to 24.5% in the second quarter of fiscal 2025 compared to 23.6% in the same period of fiscal 2024. The increase in the effective tax rate was primarily due to a one-time benefit in the prior year from adjusting the Company's deferred tax assets and liabilities for state law changes enacted during the quarter.

Net income increased by \$22,136 (13.9%) to \$180,918 from \$158,782 in the comparable period in the prior year. The increase in net income was primarily attributable to higher profitability both inside the store and in fuel, partially offset by higher operating expenses and depreciation and amortization. See discussion in the paragraphs above for the primary drivers for each of these changes.

Six Months Ended October 31, 2024 Compared to
Six Months Ended October 31, 2023
(Dollars and Amounts in Thousands)

Six Months Ended October 31, 2024	Prepared Food & Dispensed Beverage	Grocery & General Merchandise	Fuel	Other	Total
Revenue	\$ 822,956	\$ 2,118,675	\$ 4,970,274	\$ 132,603	\$ 8,044,508
Revenue less cost of goods sold (excluding depreciation and amortization)	\$ 481,499	\$ 752,474	\$ 626,800	\$ 53,042	\$ 1,913,815
	58.5 %	35.5 %	12.6 %	40.0 %	23.8 %
Fuel gallons sold			1,548,450		
Six Months Ended October 31, 2023	Prepared Food & Dispensed Beverage	Grocery & General Merchandise	Fuel	Other	Total
Revenue	\$ 755,294	\$ 1,961,366	\$ 5,073,811	\$ 143,180	\$ 7,933,651
Revenue less cost of goods sold (excluding depreciation and amortization)	\$ 442,525	\$ 667,173	\$ 605,813	\$ 47,804	\$ 1,763,315
	58.6 %	34.0 %	11.9 %	33.4 %	22.2 %
Fuel gallons sold			1,444,429		

Total revenue for the first six months of fiscal 2025 increased by \$110,857 (1.4%) over the comparable period in fiscal 2024. Prepared food and dispensed beverage revenue increased by \$67,662 (9.0%) due to an increase in same-store sales of 4.7% driven by improved sales of hot sandwiches, bakery, and dispensed beverages, as well as an increase of approximately 4.3% related to store growth. Grocery and general merchandise revenue increased by \$157,309 (8.0%) due to an increase of approximately 5.5% related to store growth, as well as an increase in same-store sales of 2.5% driven by strong sales of non-alcoholic and alcoholic beverages. Retail fuel revenue decreased by \$103,537 (2.0%) as the average retail price per gallon decreased 8.6%, partially offset by an increase in the number of gallons sold of 104,021 (7.2%).

The other revenue category primarily consists of activity related to car wash revenue and the wholesale fuel revenue from the dealer network, which are both presented gross of applicable costs, as well as lottery, which is presented net of applicable costs. Other revenue decreased \$10,577 (7.4%) for the first six months of fiscal 2025 compared to the prior year, driven primarily by a decrease in total revenue related to the dealer network.

Revenue less cost of goods sold (excluding depreciation and amortization) was 23.8% of revenue for the first six months of fiscal 2025, compared to 22.2% for the comparable period in the prior year. Prepared food and dispensed beverage revenue less related cost of goods sold (exclusive of depreciation and amortization) was relatively consistent at 58.5% of revenue, compared to 58.6% in the prior year. Grocery and general merchandise revenue less related cost of goods sold (exclusive of depreciation and amortization) increased to 35.5% of grocery and general merchandise revenue, compared to 34.0% in the prior year. The current year percentage was positively impacted by product mix.

Fuel revenue less related cost of goods sold (exclusive of depreciation and amortization) was 12.6% of fuel revenue for the first six months of fiscal 2025, compared to 11.9% for the first six months of the prior year. Revenue per gallon less cost of goods sold (exclusive of depreciation and amortization) per gallon was 40.5 cents for the first six months of fiscal 2025 compared to 41.9 cents in the prior year. The Company sold 14.9 million RINs (renewable identification numbers) for \$9,758 during the six months of fiscal 2025, compared to the sale of 19.7 million RINs in the prior year, which generated \$28,626 (see Note 3, above, for a further description of RINs and how they are generated).

Operating expenses increased by \$78,595 (6.9%) in the first six months of fiscal 2025 from the comparable period in the prior year. Approximately 5% of the increase is due to operating 93 more stores than the comparable period in the prior year. Same-store employee expense contributed to approximately 1% of the increase, as the increases in wage rates were partially offset by a reduction in same-store labor hours.

Depreciation and amortization expense increased \$22,498 (13.4%) to \$191,001 for the first six months of fiscal 2025 from \$168,503 for the comparable period in the prior year, primarily due to operating 93 more stores than a year ago.

Interest, net increased by \$1,819 (7.3%) to \$26,620 for the first six months of fiscal 2025 from \$24,801. The increase was primarily attributable to decrease in interest income due to the decrease in average cash and cash equivalents from the same period in the prior year.

The effective tax rate increased to 24.3% in the first six months of the fiscal year compared to 23.6% in the same period of the prior fiscal year. The increase in the effective tax rate was primarily due to one-time benefits in the prior year from adjusting the Company's deferred tax assets and liabilities for state law changes enacted during the year.

Net income increased by \$33,097 (10.1%) to \$361,116 from \$328,019 in the prior year. The increase in net income was primarily attributable to higher profitability both inside the store and in fuel, partially offset by increases in operating expenses and depreciation and amortization. See discussion in the paragraphs above for the primary drivers for each of these changes.

Use of Non-GAAP Measures

We define EBITDA as net income before net interest expense, income taxes, depreciation and amortization. EBITDA is not considered to be a GAAP measure, and should not be considered as a substitute for net income, cash flows from operating activities or other income or cash flow statement data. This measure has limitations as an analytical tool, and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. We strongly encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

We believe EBITDA is useful to investors in evaluating our operating performance because securities analysts and other interested parties use this calculation as a measure of financial performance and debt service capabilities, and it is regularly used by management for internal purposes including our capital budgeting process, evaluating acquisition targets, assessing performance, and awarding incentive compensation.

Because non-GAAP financial measures are not standardized, EBITDA, as defined by us, may not be comparable to similarly titled measures reported by other companies. It therefore may not be possible to compare our use of this non-GAAP financial measure with those used by other companies.

The following table contains a reconciliation of net income to EBITDA for the three and six months ended October 31, 2024 and 2023:

	Three months ended		Six months ended	
	October 31, 2024	October 31, 2023	October 31, 2024	October 31, 2023
Net income	\$ 180,918	\$ 158,782	\$ 361,116	\$ 328,019
Interest, net	12,553	12,306	26,620	24,801
Federal and state income taxes	58,817	49,172	115,925	101,434
Depreciation and amortization	96,592	85,598	191,001	168,503
EBITDA	<u>\$ 348,880</u>	<u>\$ 305,858</u>	<u>\$ 694,662</u>	<u>\$ 622,757</u>

For the three and six months ended October 31, 2024, EBITDA increased by 14.1% and 11.5%, respectively, when compared to the same period a year ago. The increase was primarily attributable to higher profitability both inside the store and in fuel, partially offset by higher operating expenses. See discussion in the preceding sections for the primary drivers for each of these individual changes.

Critical Accounting Policies

Critical accounting policies are those accounting policies that management believes are important to the portrayal of the Company's financial condition and results of operations. The Company's critical accounting policies are described in the Form 10-K for the year ended April 30, 2024, and such discussion is incorporated herein by reference. There have been no changes to these policies in the six months ended October 31, 2024.

Liquidity and Capital Resources

Due to the nature of the Company's business, 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, 2024, the Company's ratio of current assets to current liabilities was 0.88 to 1. The ratio at October 31, 2023 and April 30, 2024 was 1.06 to 1 and 0.87 to 1, respectively. The decrease in the ratio from October 31, 2023, is primarily due to the timing of debt payments, with an increase in current maturities of long-term debt and finance lease obligations associated with the reclassification of the \$150,000 Series E notes from long-term debt and finance lease obligations to current maturities, as the full principal balance is coming due June 13, 2025.

Management believes that the net availability under the Bank Line of approximately \$49,692 and the Revolving Facility of \$850,000, combined with the current cash and cash equivalents and the future cash flow from operations will be sufficient to satisfy the working capital needs of our business.

Net cash provided by operating activities was \$552,057 for the six months ended October 31, 2024, compared to \$481,780 for the comparable period in the prior year, an increase of \$70,277. Our primary source of operating cash flows is from sales to guests at our stores. The primary uses of operating cash flows are payments to our team members and suppliers, as well as payments for taxes and interest. Cash flow from operations was favorably impacted by improved revenue less cost of goods sold (excluding depreciation and amortization) of \$150,500, offset by an increase in operating expenses of \$78,595. Refer to "Six Months Ended October 31, 2024 Compared to Six Months Ended October 31, 2023" starting on page 16 for further details on the primary drivers for the changes in revenue, cost of goods sold, and operating expenses. Additionally, cash paid for income taxes increased by \$46,470 from the prior year, driven primarily by the decrease in accelerated tax depreciation on acquisitions and capital expenditures during the 2025 fiscal year compared to the 2024 fiscal year. Cash flows from operations can also be impacted by variability in the timing of payments and receipts for certain assets and liabilities, such as wage related accruals, accounts payable, and receivables from credit card companies or our vendors. The increase in operating cash flows, compared to the prior year, was also favorably impacted by an increase in operating cash flows of \$35,991 due to the timing of inventory purchases.

Cash used in investing activities decreased \$61,176. During the first six months of fiscal 2025, the Company expended \$257,567 for purchases of property and equipment and payments for acquisitions compared to \$315,314 for the comparable period in the prior year. The decrease in cash used in investing activities was largely attributable to a decrease in acquisition related activity compared to the prior year. Purchases of property and equipment and payments for acquisitions of businesses typically represent the single largest use of excess Company funds. Management believes that by acquiring, building, and reinvesting in stores, the Company will be better able to drive long-term shareholder value.

Cash provided by financing increased \$1,142,884, from the comparable period of the prior year, primarily due to the proceeds from long-term debt of \$1,100,000, incurred on October 30, 2024, to fund the Fikes acquisition, which closed subsequent to quarter end on November 1, 2024. The proceeds have been recognized as restricted cash within long-term assets in the condensed consolidated balance sheets as of October 31, 2024. As a result, the proceeds do not impact the current ratios discussed above. For additional information, please refer to Note 4 and Note 9. Additionally, cash provided by financing was positively impacted by a decrease in share repurchase related activity of \$58,757.

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As of October 31, 2024, the Company had long-term debt consisting of:

Finance lease liabilities	\$	108,641
3.67% Senior notes (Series A) due in 7 installments beginning June 17, 2022, and ending June 15, 2028		87,000
3.75% Senior notes (Series B) due in 7 installments beginning December 17, 2022 and ending December 18, 2028		37,000
3.65% Senior notes (Series C) due in 7 installments beginning May 2, 2025 and ending May 2, 2031		50,000
3.72% Senior notes (Series D) due in 7 installments beginning October 28, 2025 and ending October 28, 2031		50,000
3.51% Senior notes (Series E) due June 13, 2025		150,000
3.77% Senior notes (Series F) due August 22, 2028		250,000
2.85% Senior notes (Series G) due August 7, 2030		325,000
2.96% Senior notes (Series H) due August 6, 2032		325,000
5.23% Senior notes (Series I) due November 2, 2031		150,000
5.43% Senior notes (Series J) due November 2, 2034		100,000
Variable rate term loan facility, requiring quarterly installments ending April 21, 2028		231,250
Variable rate incremental term loan facility, requiring quarterly installments ending October 30, 2029		850,000
Less debt issuance costs		(6,411)
		<u>2,707,480</u>
Less current maturities		(245,558)
	\$	<u><u>2,461,922</u></u>

The Company has funded purchases of property and equipment and payments for acquisitions of businesses primarily from the issuance of debt, existing cash, and funds generated from operations. Future capital needs required to finance operations, improvements and the anticipated growth in the number of stores are expected to be met from cash generated by operations, the Revolving Facility, the Bank Line, and additional long-term debt or other securities as circumstances may dictate, and are not expected to adversely affect liquidity.

Cautionary Statements

This Form 10-Q, including but not limited to the Management's Discussion and Analysis of Financial Condition and Results of Operations, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. The words "may," "will," "should," "believe," "expect," "anticipate," "intend," "estimate," "project," "continue," and similar expressions are used to identify forward-looking statements. Forward-looking statements represent the Company's current expectations or beliefs concerning future events and trends that we believe may affect our financial condition, liquidity and related sources and needs, supply chain, results of operations and performance at our stores, business strategy, strategic plans, growth opportunities, integration of acquisitions, acquisition synergies, short-term and long-term business operations and objectives including our long-term strategic plan, wholesale fuel, inventory and ingredient costs and the potential effects of the conflict in Ukraine on our business. The Company cautions that these statements are further qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements, including, without limitation, the following risk factors described more completely in the Company's Form 10-K for the fiscal year ended April 30, 2024:

Business Operations: Our business and our reputation could be adversely affected by a cyber or data security incident or the failure to protect sensitive guest, Team Member or supplier data, or the failure to comply with applicable regulations relating to data security and privacy; food-safety issues and foodborne illnesses, whether actual or reported, or the failure to comply with applicable regulations relating to the transportation, storage, preparation or service of food, could adversely affect our business and reputation; we may be adversely impacted by increases in the cost of food ingredients and other related costs; a significant disruption to our distribution network, to the capacity of the distribution centers, or timely receipt of inventory could adversely impact our sales or increase our transaction costs, which could have a material adverse effect on our business; we could be adversely affected if we experience difficulties in, or are unable to recruit, hire or retain, members of our leadership team and other distribution, field and store Team Members; any failure to anticipate and respond to changes in consumer preferences, or to introduce and promote innovative technology for guest interaction, could adversely affect our financial results; we rely on our information technology systems, and a number of third-party software providers, to manage numerous aspects of our business, and a disruption of these systems could adversely affect our business; increased credit card expenses could lead to higher operating expenses and other costs for the Company; our operations present hazards and risks which may not be fully covered by insurance, if insured; the dangers inherent in the storage and transport of fuel could cause disruptions and could expose to us potentially significant losses, costs or liabilities; consumer or other litigation could adversely affect our financial condition and results of operations; pandemics or disease outbreaks, responsive actions taken by governments and others to mitigate their spread, and guest behavior in response to these events, have, and may in the future, adversely affect our business operations, supply chain and financial results; and, covenants in our Senior Notes and credit facility agreements require us to comply with certain covenants and meet financial maintenance tests and the failure to comply with these requirements could have a material impact to us.

Governmental Actions, Regulations, and Oversight: Compliance with and changes in tax laws could adversely affect our performance; we are subject to extensive governmental regulations; governmental action and campaigns to discourage tobacco and nicotine use and other tobacco products may have a material adverse effect on our revenues and gross profit; and, wholesale cost and tax increases relating to tobacco and nicotine products could affect our operating results.

Industry: General economic and political conditions that are largely out of the Company's control may adversely affect the Company's financial condition and results of operations; developments related to fuel efficiency, fuel conservation practices, climate change, and changing consumer preferences may decrease the demand for motor fuel; unfavorable weather conditions can adversely affect our business; the volatility of wholesale petroleum costs could adversely affect our operating results; and, the convenience store industry is highly competitive.

Growth Strategies: We may not be able to identify, acquire, and integrate new properties and stores, which could adversely affect our ability to grow our business.

Common Stock: The market price for our common stock has been and may in the future be volatile, which could cause the value of your investment to decline; any issuance of shares of our common stock in the future could have a dilutive effect on your investment; and, Iowa law and provisions in our charter documents may have the effect of preventing or hindering a change in control and adversely affecting the market price of our common stock.

We further caution you that other factors we have not identified may in the future prove to be important in affecting our business and results of operations. We ask you not to place undue reliance on any forward-looking statements because they speak only of our views as of the statement dates. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

The Company's exposure to market risk for changes in interest rates relates primarily to our investment portfolio and floating rate long-term debt obligations. We place our investments with high-quality credit issuers and, by policy, limit the amount of credit exposure to any one issuer. Our first priority is to attempt to reduce the risk of principal loss. Consequently, we seek to preserve our invested funds by limiting default risk, market risk, and reinvestment risk. We attempt to mitigate default risk by investing in only high-quality credit securities that we believe to be low risk and by positioning our portfolio to respond appropriately to a significant reduction in a credit rating of any investment issuer or guarantor. The portfolio includes only marketable securities with active secondary or resale markets to ensure portfolio liquidity. Based upon the outstanding balance of the Company's term loan facilities as of October 31, 2024, an immediate 100-basis-point move in interest rates would have an approximate annualized impact of \$10.6 million on interest expense.

The Company also has exposure to market risks related to the volatility of fuel prices associated with non-store inventoried fuel (pipeline and terminal). The Company utilizes futures contracts to economically hedge the physical products while the bulk fuel is in storage at various terminals and pipelines, until such time the underlying gallons can be delivered to the store. The Company does not speculate in trading financial instruments. All hedges must be matched against recorded physical transactions, inventoried fuel in a pipeline or at a terminal. Derivative contracts outstanding were immaterial to the financial statements as of October 31, 2024 and for the period then ended.

We do from time to time, participate in a forward buy of certain commodities. These contracts are not accounted for as derivatives as they meet the normal purchases exclusion under derivative accounting.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, an evaluation was performed under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer of the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rule 240.13a-15(e)). Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's current disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

Changes in Internal Controls Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the quarter ended October 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

The information required by this Item is set forth in Note 6 to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Form 10-Q and is incorporated herein by this reference.

Item 1A. Risk Factors

There have been no material changes in our "risk factors" from those previously disclosed in our 2024 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table sets forth information with respect to the Company's repurchases of common stock during the quarter ended October 31, 2024:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
Second Quarter				
August 1 - August 31, 2024	—	\$ —	—	\$ 295,109,710
September 1- September 30, 2024	—	—	—	295,109,710
October 1 - October 31, 2024	—	—	—	295,109,710
Total	—		—	\$ 295,109,710

On, and effective as of, March 3, 2022, the Board authorized a share repurchase program, whereby the Company was authorized to repurchase its outstanding common stock from time-to-time, for an aggregate amount of up to \$400 million, exclusive of fees, commissions or other costs (the "Repurchase Program"). The Repurchase Program has no set expiration date. The timing and number of repurchase transactions under the Repurchase Program depends on a variety of factors including, but not limited to, market conditions, corporate considerations, business opportunities, debt agreements, and regulatory requirements. The Repurchase Program can be suspended or discontinued at any time. As of October 31, 2024, \$295.1 million remained available for future purchases under this share repurchase program.

Item 6. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
2.1 [^]	Equity Purchase Agreement by and among Casey's General Stores, Inc., Fikes Wholesale, Inc., Group Petroleum Services, Inc., the Representative, and certain other parties thereto, dated July 25, 2024 (incorporated by reference to Exhibit 2.1 to Form 8-K filed July 26, 2024)
2.2 [^]	Amendment to Equity Purchase Agreement dated September 3, 2024 (incorporate by reference to Exhibit 2.2 to Form 10-Q filed September 4, 2024)
3.1	Second Restatement of the Restated and Amended Articles of Incorporation, as amended September 5, 2018, June 28, 2019 and September 4, 2019 (incorporated by reference to Exhibit 3.1 to Form 10-Q filed September 9, 2019)
3.2	Seventh Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to Form 8-K filed March 7, 2023)
4.1 [^]	Note Purchase Agreement Dated October 4, 2024 (incorporated by reference to Exhibit 4.1 to Form 8-K filed October 9, 2024)
4.2	Second Amendment to 2013 Note Purchase Agreement (incorporate by reference to Exhibit 4.2 to Form 8-K filed October 9, 2024)
4.3	Second Amendment to 2016 Note Purchase Agreement (incorporate by reference to Exhibit 4.3 to Form 8-K filed October 9, 2024)
4.4	Second Amendment to 2017 Note Purchase Agreement (incorporate by reference to Exhibit 4.4 to Form 8-K filed October 9, 2024)
4.5	First Amendment to 2020 Note Purchase Agreement (incorporate by reference to Exhibit 4.5 to Form 8-K filed October 9, 2024)
10.1 [^]	First Amendment to Credit Agreement and Incremental Amendment, dated as of October 30, 2024, among Casey's General Stores, Inc., the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent (incorporated by reference to Exhibit 10.1 to Form 8-K filed November 5, 2024)
31.1*	Certification of Darren M. Rebelez under Section 302 of the Sarbanes Oxley Act of 2002
31.2*	Certification of Stephen P. Bramlage Jr. under Section 302 of the Sarbanes Oxley Act of 2002
32.1*	Certification of Darren M. Rebelez under Section 906 of Sarbanes-Oxley Act of 2002
32.2*	Certification of Stephen P. Bramlage Jr. under Section 906 of Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

* Filed herewith

[^] Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K because such schedules and exhibits do not contain information that is material to an investment decision or that is not otherwise disclosed in the filed agreements. The Company will furnish the omitted schedules and exhibits to the SEC on a confidential basis upon request.

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 9, 2024

By: /s/ Stephen P. Bramlage Jr.
Stephen P. Bramlage Jr.
Its: Chief Financial Officer
*(Authorized Officer and Principal
Financial and Accounting Officer)*

Certification of Darren M. Rebelez
under Section 302 of the
Sarbanes Oxley Act of 2002

I, Darren M. Rebelez, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Casey's General Stores, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting practices;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: December 9, 2024

/s/ Darren M. Rebelez

Darren M. Rebelez
President and Chief Executive Officer

Certification of Stephen P. Bramlage Jr.
under Section 302 of the
Sarbanes Oxley Act of 2002

I, Stephen P. Bramlage Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Casey's General Stores, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting practices;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: December 9, 2024

/s/ Stephen P. Bramlage Jr.

Stephen P. Bramlage Jr.
Chief Financial Officer

**CERTIFICATE PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Casey's General Stores, Inc. (the "Company") on Form 10-Q for the period ending October 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Darren M. Rebelez, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 9, 2024

/s/ Darren M. Rebelez

Darren M. Rebelez
President and Chief Executive Officer

**CERTIFICATE PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Casey's General Stores, Inc. (the "Company") on Form 10-Q for the period ending October 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen P. Bramlage Jr., Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 9, 2024

/s/ Stephen P. Bramlage Jr.

Stephen P. Bramlage Jr.

Chief Financial Officer