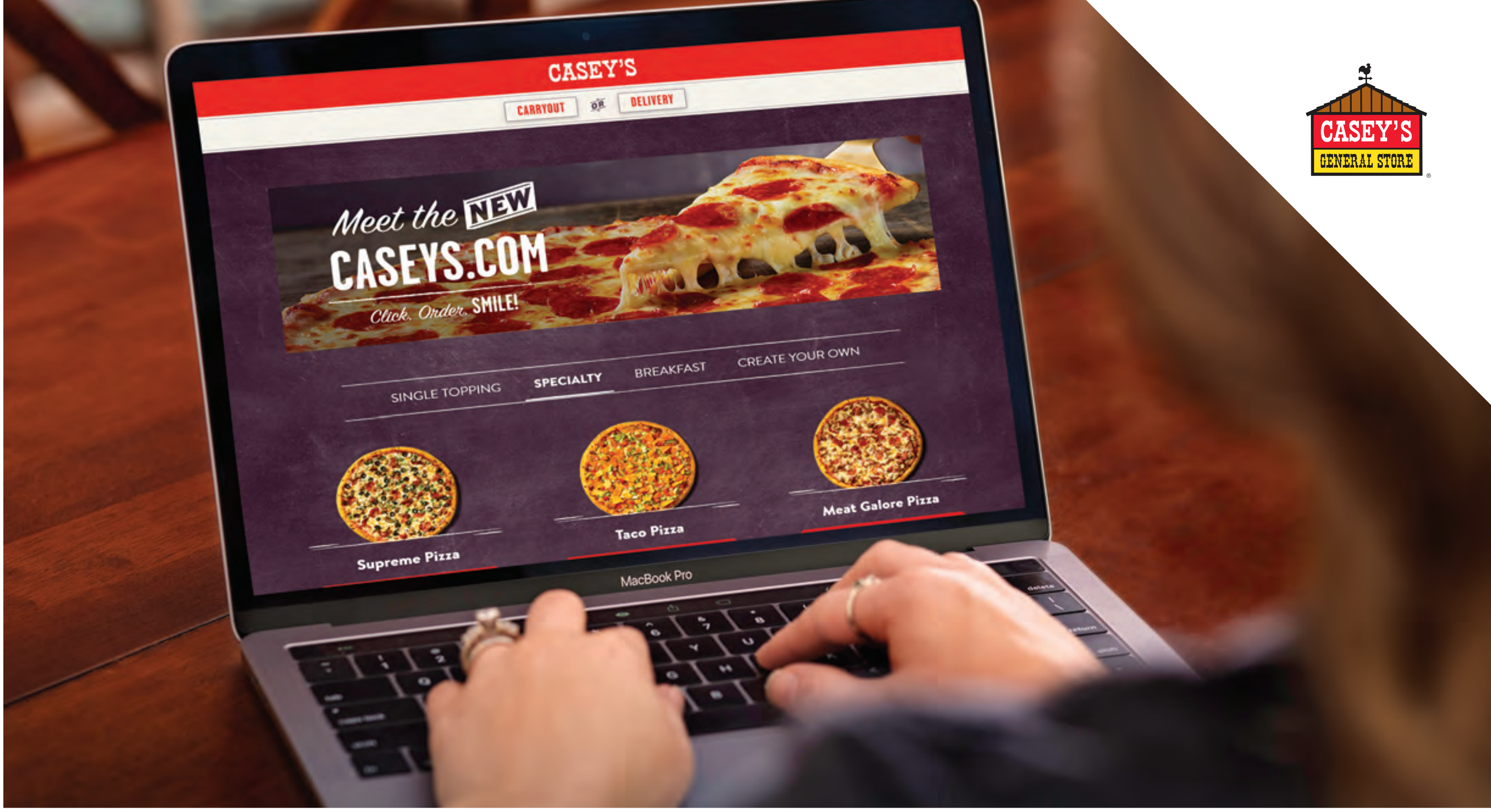

2019 Casey's
ANNUAL REPORT

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FINANCIAL HIGHLIGHTS

	2018	2019
Total Revenue (in Thousands)	$8,391,124	$9,352,910
Cash Flow from Operations (in Thousands)	$419,797	$530,614
Net Income (in Thousands)	$317,903*	$203,886
EPS (Basic)	$8.41*	$5.55
EPS (Diluted)	$8.34*	$5.51
Number of Stores	2,073	2,146

*Includes one-time benefit of $172.2 million, or $4.53 per share, related to adoption of the Tax Cuts and Jobs Act.

INCOME BEFORE INCOME TAXES
(IN MILLIONS)

DILUTED EARNINGS PER SHARE

TERRY W. HANDLEY

Retired President & Chief Executive Officer

MESSAGE TO OUR SHAREHOLDERS

In my nearly four decade career in the convenience store industry, change has been a constant. As the retail landscape and consumer habits evolve, we must continue to adapt and broaden the number of performance drivers beyond just same-store sales alone. A more balanced approach includes margin expansion and expense management through process improvements and focus on increasing gross profit dollars to deliver strong growth in earnings while increasing return on invested capital. I am incredibly proud of what we accomplished in fiscal 2019. The Company completed several key milestones of our value creation plan. At the same time, the entire team demonstrated a focused effort to drive the business forward, which resulted in Income before Income Taxes growing nearly 58%.

Many different elements of our multi-year, long-term value creation plan are well underway. Our revitalized fleet card program launched in October 2018. Since inception, over 1,300 new fleet customers joined, over 7,200 new cards have been issued and the volume continues to increase as we focus additional resources around the program. Further, we are actively engaging with universal card providers as part of our overall fleet card strategy. Total fleet gallons grew over 9% in fiscal 2019 compared to a year ago and we remain optimistic about the potential of the fleet program going forward.

Retail price optimization is another key program currently underway. During fiscal 2019, a centralized retail fuel pricing team was established a price optimization software platform was successfully integrated to the entire network. During the integration phase, the retail fuels and store operations teams worked collaboratively to strike a more balanced approach to volume and margin with the end goal of maximizing gross profit dollars. The early results of these efforts were impressive as fuel gross profit dollars were up nearly 15% in fiscal 2019. We are confident these new capabilities will drive further growth in fuel profitability.

Price optimization efforts are also underway inside our stores. We successfully completed the test of the new software system and will begin a scheduled rollout of this program throughout the first half of fiscal 2020. Price optimization represents a fundamental shift in our marketing processes for both fuel and in-store purchases and is supported by increased visibility into our pricing and promotion strategy. We are excited about the benefits these programs will bring to the Company.

"I'm incredibly proud of what our team has accomplished, and I am confident the business is well-positioned for continued success."

We made great strides with our digital transformation and reached several key milestones during fiscal 2019 culminating with the successful launch of the new Caseys.com e-commerce and mobile commerce platforms. These capabilities provide an enhanced customer experience by streamlining the ordering and checkout process and allowing the customer to pay online. In addition, the system automatically engages cross-sell opportunities during every order. We completed the design and testing of the new mobile app with a planned launch in the first quarter of fiscal 2020. The new Casey's rewards program is also under development with an expected launch later in fiscal 2020. The integration of these new digital platforms will create a seamless customer experience both online and in-store that enhances our digital capabilities and facilitates personalized marketing and rewards. This digital platform will also allow us to gain a better understanding of our customers, better serve them by providing value and target-effective promotions, with the goal of increasing our average basket ring and driving additional customer visits.

Operating expense management will continue to be a focus and we made great strides during fiscal 2019. The entire store operations team worked diligently to better align labor with consumer trends resulting in same-store operating expenses excluding credit card fees down 0.6% for the year. Process improvements and new capabilities are under way across the business focused on further driving efficiencies and enhancing future earnings growth. In addition, our capital allocation strategy will continue to prioritize investments with attractive return profiles, including the value creation programs, as well as disciplined store growth through new store construction and strategic acquisitions.

As I reflect on my nearly four decades with Casey's, I'm incredibly proud of what our team has accomplished, and I am confident the business is well-positioned for continued success. I have absolute confidence in my successor, Darren Rebelez. I know Darren personally and I am familiar with his tremendous leadership experience in the convenience store, fuel and restaurant industries, most recently as the President of IHOP®. I look forward to seeing where he takes this great Company in the years ahead.

For fiscal 2020, Casey's General Stores, Inc. performance guidance is as follows:

- Increase same-store Fuel gallons sold (0.5%) to 1.0% with an average margin of 20.5 to 22.5 cents per gallon
- Increase same-store Grocery and Other Merchandise sales 2.5% to 4.0% with an average margin of 32.0% to 33.0%
- Increase same-store Prepared Food and Fountain sales 3.0% to 6.0% with an average margin of 61.0% to 63.0%
- Operating expenses expected to increase 7.0% to 9.0% (including value creation plan)
- Depreciation and amortization expected to increase 11.0% to 13.0%
- Build 60 stores
- Acquire 25 stores

Thank you for your investment in Casey's General Stores, Inc. We look forward to creating more shareholder value in fiscal 2020 and beyond.

Sincerely,

Terry W. Handley

Retired President & Chief Executive Officer

Darren Rebelez was elected as the Company's President and Chief Executive Officer and as a member of the Board of Directors effective June 24, 2019. Mr. Rebelez previously served as President of IHOP® Restaurants, a position he has held since 2015. Prior to joining IHOP®, Mr. Rebelez spent nearly eight years with 7-Eleven, Inc., where he served as Executive Vice President & Chief Operating Officer. Before 7-Eleven, Mr. Rebelez held numerous management roles within ExxonMobil and before that, at Thornton Oil Corporation. Mr. Rebelez was an Infantry Officer in the First Cavalry Division for the United States Army, and a veteran of the Persian Gulf War. He holds a Master's of Business Administration degree in International Business from the University of Houston's C.T. Bauer College of Business and a Bachelor of Science degree in Foreign Area Studies from the United States Military Academy at West Point. Mr. Rebelez has served as an independent director of Torchmark Corporation (NYSE: TMK), since 2010.

GROCERY & OTHER MERCHANDISE

SAME-STORE SALES

FY 2019: 3.6%

FY 2020 Guidance: 2.5% to 4.0%

AVERAGE MARGIN

FY 2019: 32.1%

FY 2020 Guidance: 32.0% to 33.0%

Management Team (L to R): **Kirk Haworth**, VP-Real Estate; **Chris Boling**, VP-Store Operations; **Rich Schappert**, VP-Information Technology; **Cindi Summers**, Senior VP-Human Resources; **Megan Elfers**, VP-Marketing

During fiscal 2019, same-store sales increased 3.6% with an average margin of 32.1%. New products introduced in the higher-margin Grocery, Alcohol, and Packaged Beverage sub-categories, and changes to promotional strategies contributed to increased same-store sales and margin expansion during fiscal 2019. These expanded offerings were made possible in part by recent investments in expanding square footage throughout the store base, which have helped to offset the secular decline in the Cigarettes sub-category.

OUTLOOK

The Grocery and Other Merchandise category will further benefit from the rollout of our value creation plan programs. Inside price optimization will provide our diverse store base dynamic pricing capabilities to meet today's ever-changing competitive landscape, and will further support ongoing growth in gross profit dollars. Our new Casey's rewards program and continued growth of the new fleet card program will further support increased traffic to stores. The fiscal 2020 guidance for the Grocery and Other Merchandise category is to increase same-store sales 2.5% to 4.0% with an average margin of 32.0% to 33.0%.

SALES
(IN MILLIONS)

MARGIN

GROSS PROFIT
(IN MILLIONS)

PREPARED FOOD & FOUNTAIN

SAME-STORE SALES

FY 2019: 1.9%
FY 2020 Guidance: 3.0% to 6.0%

AVERAGE MARGIN

FY 2019: 62.2%
FY 2020 Guidance: 61.0% to 63.0%

During fiscal 2019, same-store sales increased 1.9% with an average margin of 62.2%. The food service industry continues to be highly competitive. However, strategic price increases, changes in promotional strategies and favorable commodity costs contributed to 120 basis points of margin expansion and gross profit dollar growth of nearly 9%. In addition, strong contribution from the breakfast daypart and store growth contributed to a total Prepared Food and Fountain sales increase of nearly 7% to $1.1 billion.

OUTLOOK

The Prepared Food and Fountain category is primed to benefit further from the ongoing rollout of the value creation plan programs. The recent launch of

Management Team (L to R): **Deborah Grimes**, VP-Fuel Procurement & Delivery; **Jay Soupene**, Senior VP-Operations; **Brian Johnson**, Senior VP Store Development; **William Walljasper**, Senior VP & Chief Financial Officer; **Julie Jackowski**, Senior VP-Corporate General Counsel & Secretary

the new Caseys.com e-commerce and mobile commerce platforms marked a key milestone in our digital transformation journey. In addition, the Company will soon launch the new mobile app and rewards program. We are confident these new digital capabilities, combined with our new price optimization platform, will improve our competitive position and increase gross profit dollars to the category. The fiscal 2020 guidance for the Prepared Food and Fountain category is to increase same-store sales 3.0% to 6.0% with an average margin of 61.0% to 63.0%.

SALES
(IN MILLIONS)

MARGIN

GROSS PROFIT
(IN MILLIONS)

FUEL

Management Team (L to R): **Sam James**, VP-Finance; **James Pistillo**, VP-Accounting & Treasurer; **Art Sebastian**, VP-Digital Customer Experience; **Chris Jones**, Senior VP & Chief Marketing Officer

SAME-STORE SALES

FY 2019: (1.7%)

FY 2020 Guidance: (0.5)% to 1.0%

AVERAGE MARGIN

FY 2019: 20.3 cpg

FY 2020 Guidance: 20.5cpg to 22.5 cpg

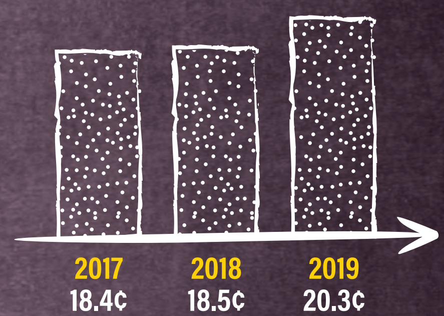
During fiscal 2019, same-store gallons decreased 1.7% with an average margin of 20.3 cents per gallon compared to 18.5 cents per gallon in the prior fiscal year. Consumer demand was softer in fiscal 2019 as vehicle-miles of travel as reported by the United States Department of Transportation slowed in our operating territory. However, our retail fuel pricing and store operations teams worked to strike a balance between volume and margin resulting in margin expansion of 1.8 cents per gallon and gross profit dollar growth of nearly 15%. The fuels team also worked to optimize fuel product offerings across our diverse network of stores. Biodiesel, diesel and premium gasoline offerings were added to nearly a third of the store base which further contributed to the strong performance of the Fuel category.

OUTLOOK

Moving forward, we remain confident the newly-implemented capabilities in both retail fuel pricing and fuel procurement will further enhance fuel profitability. Additionally, we anticipate the fleet card business will continue to deliver incremental sales growth during the years ahead. The fiscal 2020 guidance for the Fuel category is to increase same-store gallons sold (0.5%) to 1.0% with an average margin of 20.5 to 22.5 cents per gallon.

SALES
(IN MILLIONS OF GALLONS)

MARGIN
(IN CENTS PER GALLON)



GROSS PROFIT
(IN MILLIONS)

GROWTH

STORE COUNT BY STATE

Arkansas - 51	Kansas - 164	Missouri - 328	Oklahoma - 34
Iowa - 526	Kentucky - 15	North Dakota - 30	South Dakota - 44
Illinois - 450	Michigan - 1	Nebraska - 144	Tennessee - 11
Indiana - 121	Minnesota - 177	Ohio - 14	Wisconsin - 36

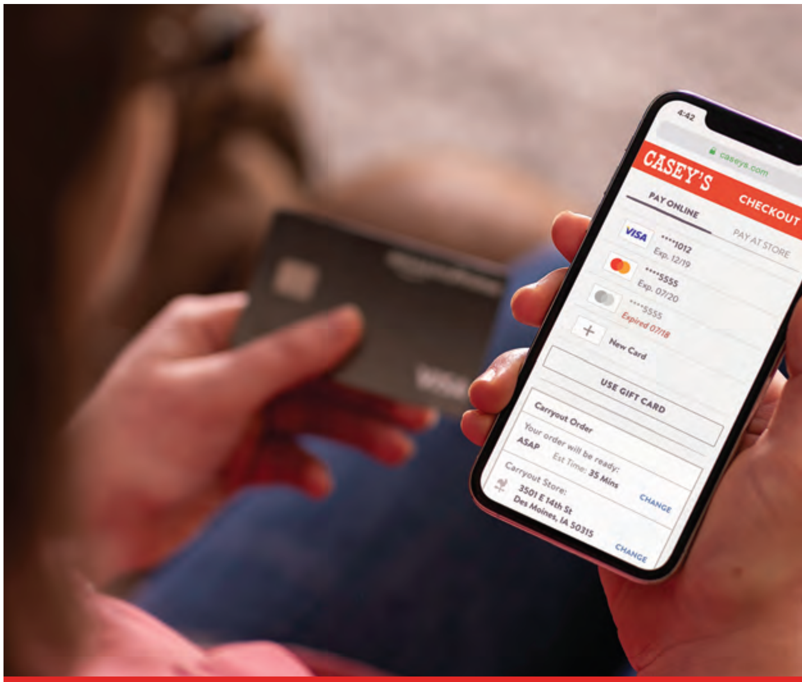
Management Team (L to R): **Jay Blair**, VP-Transportation & Distribution (Retired); **Michael Richardson**, VP-Marketing (Retired); **Hal Brown**, VP-Support Services; **Darryl Bacon**, VP-Food Services

During fiscal 2019, Casey's built and opened 56 new stores and acquired 24 stores. The Company also replaced eight existing stores. We continued to expand our footprint in fiscal 2019 as a considerable number of the new stores opened in fiscal 2019 were in newer states such as Arkansas, Oklahoma and Ohio. In support of our continued store growth plans and anticipated increase in sales from our value creation plan programs, plans are underway for a third distribution center, which we anticipate will break ground during fiscal 2020.

OUTLOOK

We are excited about our growth opportunities in both existing markets and new territories. Our capital allocation strategy will continue to prioritize investments in high-return growth and profitability initiatives as well as continued pursuit of disciplined store growth, strategic acquisition opportunities, and returning capital to shareholders. As of April 30, there were 41 new stores under construction and eight acquisitions under agreement to purchase, positioning the Company for continued growth. The fiscal 2020 guidance is to build and open 60 new stores and acquire 25 stores.

FINANCE



FISCAL 2020 CAPITAL EXPENDITURE BUDGET

Acquisitions & New Store Construction	$294 Million
Replacements	$59 Million
Maintenance & Remodels	$91 Million
Transportation & Information Systems	$72 Million
Total	$516 Million

EQUITY
(IN MILLIONS)

LONG-TERM DEBT
(IN MILLIONS)

Cash and cash equivalents at the end of fiscal 2019 totaled $63.3 million. Long-term debt net of current maturities was $1.3 billion, and the debt-to-capital ratio was 48%. Casey's has a long track record of consistent dividend growth with 19 consecutive years of dividend increases. At its June meeting, the Board of Directors raised Casey's quarterly dividend to $0.32 per share, an increase of 10%. In addition, the Company has $300 million remaining on its March 2018 share repurchase authorization.

BOARD OF DIRECTORS


1


2


3


4


5


6


7


8


9

1
DARREN M. REBELEZ
President and CEO of
Casey's General Stores, Inc.

2
H. LYNN HORAK
Chairman of the Board,
Past Regional Chairman with
Wells Fargo Regional Banking

3
DIANE C. BRIDGEWATER*
EVP, Chief Financial and
Administrative Officer of LCS

4
DONALD E. FRIESON
EVP Supply Chain,
Lowe's Companies

5
CARA K. HEIDEN*
Retired Co-President of
Wells Fargo Home Mortgage

6
DAVID K. LENHARDT*
Former President and
CEO of PetSmart, Inc.

7
LARREE M. RENDA
Retired Executive
Vice President of Safeway, Inc.

8
JUDY A. SCHMELING*
Former COO of HSN, Inc.
and Former President of
Cornerstore Brands

9
ALLISON M. WING
Chief Consumer Officer
of Bright Health

**Member of Audit Committee*

COMMON STOCK

Casey's General Stores, Inc. common stock trades on the Nasdaq Global Select Market under the symbol CASY. The approximately 36.6 million shares of common stock outstanding at April 30, 2019 had a market value of approximately $4.9 billion. As of that same date, there were 1,618 shareholders of record.

COMMON STOCK MARKET PRICES

	Calendar 2017		Calendar 2018		Calendar 2019	
	HIGH	*LOW*	*HIGH*	*LOW*	*HIGH*	*LOW*
1st Quarter	$ 120.90	$ 107.43	$ 128.51	$ 105.45	$ 138.45	$122.86
2nd Quarter	117.80	104.64	110.83	90.42		
3rd Quarter	112.61	99.76	130.74	102.47		
4th Quarter	125.35	103.50	137.08	116.23		

On June 28, 2019, the last reported sales price of the Company's common stock was $155.99 per share. On that same date, the market capitalization of the Company was approximately $5.7 billion.

DIVIDENDS

The Company began paying cash dividends during fiscal 1991. The dividends declared in fiscal 2019 totaled $1.16 per share. At its June 2019 meeting, the Board of Directors increased the quarterly dividend to $0.32 per share. The dividend is payable on August 15, 2019 to shareholders of record on August 1, 2019.

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

This plan, introduced in the fall of 1998, gives holders of Casey's General Stores, Inc. common stock a convenient and economical way of purchasing additional shares at market prices by reinvesting their dividends in full or in part. Stockholders may also take advantage of the cash payment option to purchase additional shares. Those wishing to enroll should contact the transfer agent and registrar:

Computershare Trust Company, N.A.
250 Royall Street
Canton, MA 02021
Telephone 781-575-2000
www.computershare.com

INVESTOR INQUIRIES

Current or prospective Casey's General Stores, Inc. investors can receive annual reports, proxy statements, Forms 10-K and 10-Q, and earnings announcements at no cost by calling (515) 965-6100 or sending written requests to the following address:

Investor Relations
Casey's General Stores, Inc.
One SE Convenience Blvd.
Ankeny, Iowa 50021

Corporate information is also available at www.caseys.com under the Investor Relations tab. Quarterly conference calls are broadcast live over the Internet via the Investor Relations page and made available in archived format. Broadcast times for the quarterly calls will be announced on our website and in corresponding press releases.

FORWARD-LOOKING STATEMENTS

This annual report contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from future results expressed or implied by those statements. Casey's disclaims any intention or obligation to update or revise forward-looking statements, whether as result of new information, future events or otherwise.

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

Annual Report pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Fiscal Year Ended April 30, 2019

Commission File Number 001-34700

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

IOWA	**42-0935283**
(State or other jurisdiction of incorporation or organization)	**(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 if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

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 (§232.405 of this chapter) 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	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

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 ☐

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

The aggregate market value of the registrant's common stock held by non-affiliates as of October 31, 2018, was approximately $4.6 billion based on the closing sales price ($125.55 per share) as quoted on the NASDAQ Global Select Market.

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

Class	Outstanding at June 20, 2019
Common Stock, no par value per share	**36,763,634 shares**

DOCUMENTS INCORPORATED BY REFERENCE

Certain information called for by Items 10, 11, 12, 13 and 14 of Part III is hereby incorporated by reference from the definitive Proxy Statement to be filed with the Securities and Exchange Commission in connection with the Annual Meeting of Shareholders, which will be filed with the Securities and Exchange Commission not later than 120 days after April 30, 2019.

FORM 10-K

TABLE OF CONTENTS

PART I

ITEM 1. BUSINESS

The Company

Casey’s General Stores, Inc. (“Casey’s”) and its wholly-owned subsidiaries (Casey’s, together with its subsidiaries, are referred to herein as the “Company” or “we”) operate convenience stores under the names "Casey's" and “Casey’s General Store” (hereinafter referred to as “Casey’s Store” or “Stores”) in 16 Midwestern states, primarily in Iowa, Missouri, and Illinois. The Company also operates two stores under the name "Tobacco City", selling primarily tobacco and nicotine products, two liquor stores, and one grocery store. The Casey's Stores carry a broad selection of food (including freshly prepared foods such as pizza, donuts, and sandwiches), beverages, tobacco and nicotine products, health and beauty aids, automotive products, and other nonfood items. In addition, all but four offer fuel for sale on a self-service basis. Our fiscal year runs from May 1 through April 30 of each year. On April 30, 2019 there were a total of 2,146 stores in operation. There were 56 stores newly constructed in fiscal 2019. We closed 10 stores in fiscal 2019. We also acquired 24 additional stores in fiscal 2019; 22 of those stores were opened in fiscal 2019, and two will be opened during the 2020 fiscal year. Finally, we opened five acquisitions purchased in the prior year. Two distribution centers are in operation (in Ankeny, Iowa adjacent to our corporate headquarters and in Terre Haute, Indiana) from which grocery and general merchandise items are supplied to our stores. Casey’s, with executive offices at One SE Convenience Blvd., Ankeny, Iowa 50021-8045 (telephone 515-965-6100), was incorporated in Iowa in 1967.

Approximately 56% of all our stores were opened in areas with populations of fewer than 5,000 persons, while approximately 18% of our stores were opened in communities with populations exceeding 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.

The Company’s internet address is www.caseys.com. Each year we make available through our website all of our SEC filings, including current reports on Form 8-K, quarterly reports on Form 10-Q, our annual report on Form 10-K, and amendments to those reports, free of charge as soon as reasonably practicable after they have been electronically filed with the Securities and Exchange Commission. Additionally, you can go to our website to read our Financial Code of Ethics, Corporate Governance Guidelines, Code of Conduct, and committee charters. In the event of a waiver to the Code of Conduct, any required disclosure will be posted to our website.

General

We seek to meet the needs of residents of smaller towns by combining features of both general store and convenience store operations. Smaller communities often are not served by national-chain convenience stores. We have succeeded at operating Casey’s Stores in smaller towns by offering, at competitive prices, a broader selection of products than does a typical convenience store. We have also succeeded in meeting the needs of residents in larger communities with these offerings. We currently own most of our real estate, including substantially all of our stores, both distribution centers, the Services Company facility, and the Corporate Headquarters facility.

The Company derives its revenue primarily from the retail sale of fuel and the products offered in our stores. Our sales historically have been strongest during the first and second fiscal quarters (May through October) relative to the third and fourth (November through April). In warmer weather, customers tend to purchase greater quantities of fuel and certain convenience items such as beer, isotonics, water, soft drinks, and ice.

Corporate Subsidiaries

Casey's Marketing Company (the "Marketing Company") and Casey's Services Company (the "Services Company") were organized as Iowa corporations in March 1995. Casey’s Retail Company (the "Retail Company") was organized as an Iowa corporation in April 2004. CGS Stores, LLC was organized in April 2019 as an Iowa limited liability company. The Marketing Company, Service Company, and Retail Company are wholly-owned subsidiaries of Casey’s. CGS Stores, LLC is a wholly-owned subsidiary of the Marketing Company.

Casey’s Retail Company owns and operates stores in Illinois, Kansas, Minnesota, Nebraska, North Dakota, South Dakota and Michigan; it also holds the rights to the Company's trademarks, service marks, trade names, and other intellectual property. The Marketing Company owns and operates stores in Arkansas, Indiana, Iowa, Kentucky, Missouri, Ohio, Oklahoma, and Wisconsin, and until May 2019, stores in Tennessee. The Marketing Company also has responsibility for all of our wholesale operations, including both distribution centers. As of May 2019, CGS Stores, LLC owns and operates stores in Tennessee. The Services Company provides a variety of construction and transportation services for all stores.

Store Operations

Products Offered

Each Casey's Store typically carries over 3,000 food and nonfood items. Many of the products offered are those generally found in a supermarket. The selection is generally limited to one or two well-known brands of each item stocked. Most of our staple food products are nationally advertised brands, and we also have an assortment of Casey's proprietary branded products. Stores sell regional brands of dairy and bakery products, and 1,854 (86.4%) of the stores offer beer. Our nonfood items include tobacco and nicotine products, health and beauty aids, school supplies, housewares, pet supplies, and automotive products.

All but four Casey's Stores offer gasoline or diesel fuel for sale on a self-service basis. Gasoline and diesel fuel are sold under the Casey's name.

It is our policy to continually make additions to the Company's product line, especially products with higher gross profit margins. As a result, we have added various prepared food items to our product line over the years, facilitated by the installation of snack centers, which now are in the majority of stores. The snack centers sell sandwiches, fountain drinks, and other items that have gross profit margins higher than those of general staple goods. As of April 30, 2019, the Company was selling donuts prepared on store premises in 2,136 (99.5%) of our stores in addition to cookies, brownies, and other bakery items. The Company installs donut-making equipment in all newly constructed stores.

We began marketing made-from-scratch pizza in 1984, and it was available in 2,124 stores (99.0%) as of April 30, 2019. Although pizza is our most popular prepared food offering, we continue to expand our prepared food product line, which now includes ham and cheese sandwiches, pork and chicken fritters, sausage sandwiches, chicken tenders, pizza rolls, popcorn chicken, breakfast croissants and biscuits, breakfast pizza, hash browns, quarter-pound hamburgers and cheeseburgers, potato cheese bites and other seasonal items. 1,462 (68.1%) stores now offer made-to-order sub sandwiches.

The growth in our proprietary prepared food program reflects management's strategy to promote high-margin products that are compatible with convenience store operations. In the last three fiscal years, retail sales of nonfuel items have generated about 39% of our total revenue, but they have resulted in approximately 77% of our revenue less cost of goods sold (excluding depreciation and amortization). Revenue less cost of goods sold (excluding depreciation and amortization) on prepared food items averaged approximately 62% during the three fiscal years ended April 30, 2019—substantially higher than the impact of retail sales of fuel, which averaged approximately 8%.

Store Design

Casey's Stores are primarily freestanding and, with a few exceptions to accommodate local conditions, conform to standard construction specifications. The current larger store design measures 46 feet by 130 feet with approximately 3,000 square feet devoted to sales area, 600 square feet to kitchen space, 400 square feet to storage, and 2 large public restrooms. There is also a smaller store design that is generally designated for smaller communities that measures 39 feet by 86 feet, with approximately 1,550 square feet devoted to sales area with the remaining areas similar in size. Store lots have sufficient frontage and depth to permit adequate drive-in parking facilities on one or more sides of each store. Each new store typically includes 5 to 10 islands of fuel dispensers and storage tanks with capacity for 60,000 to 70,000 gallons of fuel. The merchandising display follows a standard layout designed to encourage a flow of customer traffic through all sections of every store. All stores are air-conditioned and have modern refrigeration equipment. Nearly all the store locations feature our bright red and yellow sign which displays Casey's name and service mark.

All Casey's Stores remain open at least sixteen hours per day, seven days a week. Hours of operation may be adjusted on a store-by-store basis to accommodate customer traffic patterns. As of April 30, 2019, we operated approximately 638 stores on a 24-hour basis, and another 1,349 that have expanded hours. All stores maintain a bright, clean interior and provide prompt checkout service.

Store Locations

The Company traditionally has located its stores in smaller towns not served by national-chain convenience stores. Management believes that a Casey's Store provides a service generally not otherwise available in small towns and that a convenience store in an area with limited population can be profitable if it stresses sales volume and competitive prices. Our store-site selection criteria emphasize the population of the immediate area and daily highway traffic volume. We can operate effectively at a highway location in a community with a population of as few as 400.

Fuel Operations

Fuel sales are an important part of our revenue and earnings. Approximately 63% of Casey's total revenue for the year ended April 30, 2019 was derived from the retail sale of fuel. The following table summarizes (dollars and gallons in thousands) fuel sales for the three fiscal years ended April 30, 2019:

	Year ended April 30,		
	2019	**2018**	**2017**
Number of gallons sold	**2,296,030**	2,198,600	2,061,794
Total retail fuel sales	**$ 5,848,770**	$ 5,145,988	$ 4,414,128
Percentage of total revenue	**62.5%**	61.3%	58.8%
Percentage of revenue less cost of goods sold (excluding depreciation and amortization and credit card fees)	**8.0%**	7.9%	8.6%
Average retail price per gallon	**$ 2.55**	$ 2.34	$ 2.14
Average revenue less cost of goods sold per gallon (excluding depreciation and amortization and credit card fees)	**20.30 ¢**	18.50 ¢	18.35 ¢
Average number of gallons sold per store*	**1,097**	1,087	1,053

* Includes only those stores in operation at least one full year on April 30 of the fiscal year indicated.

Retail prices of fuel during the year increased 9.0% from prior year. The total number of gallons we sold during this period increased, primarily because of the higher number of stores in operation. Percentage of revenue less cost of goods sold represents the fuel gross profit divided by the gross fuel sales dollars, so as retail fuel prices fluctuate in a period of consistent gross margin per gallon, the percentage will also fluctuate in an inverse relationship to fuel price. For additional information concerning the Company's fuel operations, see Item 7 herein.

Distribution and Wholesale Arrangements

The Marketing Company supplies all stores with groceries, food, health and beauty aids, and general merchandise from the distribution centers. The stores place orders for merchandise electronically to our headquarters in Ankeny, and the orders are filled with shipments in Company-owned delivery trucks from one of the distribution centers, depending on geographic proximity to the store. All of our existing and most of our proposed stores are within the two distribution centers' optimum efficiency range—a radius of approximately 500 miles around each center.

In fiscal 2019, a majority of the food and nonfood items supplied to stores from the distribution centers were purchased directly from manufacturers. With few exceptions, long-term supply contracts are not entered into with the suppliers of products sold by Casey's Stores. We believe the practice enables us to respond to changing market conditions with minimal impact on margins.

Personnel

On April 30, 2019, we had 16,891 full-time employees and 19,950 part-time employees. We have not experienced any work stoppages. There are no collective bargaining agreements between the Company and any of its employees.

Competition

Our business is highly competitive. Food, including prepared foods, and nonfood items similar or identical to those sold by the Company are generally available from various competitors in the communities served by Casey's Stores. We believe our stores located in smaller towns compete principally with other local grocery and convenience stores, similar retail outlets, and, to a lesser extent, prepared food outlets, restaurants, and expanded fuel stations offering a more limited selection of grocery and food items for sale. Stores located in more heavily populated communities may compete with local and national grocery and drug store chains, quick serve restaurants, expanded fuel stations, supermarkets, discount food stores, and traditional convenience stores. Examples of convenience store chains competing in the larger towns served by Casey's Stores include Quik

Trip, Kwik Trip, Kum & Go, and other regional chains. Some of the Company's competitors have greater financial and other resources than we do. These competitive factors are discussed further in Item 7 of this Form 10-K.

Trademarks and Service Marks

The names "Casey's" and "Casey's General Store" and the marks consisting of the Casey's design logos (with the words "Casey's General Store") and the weathervane are registered trademarks and service marks under federal law. We believe these marks are of material importance in promoting and advertising the Company's business. The Company has a number of other registered and unregistered trademarks and service marks that are significant to the Company from an operational and branding perspective (e.g. "Casey's Pizza", "Casey's Famous for Pizza", etc.).

Government Regulation (dollars in thousands)

The United States Environmental Protection Agency and several states, including Iowa, have established requirements for owners and operators of underground fuel 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 fuel inventory record keeping. Since 1984, our new stores have been equipped with noncorroding fiberglass USTs, including some with double-wall construction, overfill protection, and electronic tank monitoring. We currently have 4,879 USTs, 3,968 of which are fiberglass and 911 are steel, and we believe that all capital expenditures for electronic monitoring, cathodic protection, and overfill/spill protection to comply with the existing UST regulations have been completed. Additional regulations or amendments to the existing UST regulations could result in future expenditures.

Several states in which we do business have trust fund programs with provisions for sharing or reimbursing corrective action or remediation costs incurred by UST owners, including the Company. For the years ended April 30, 2019 and 2018, we spent approximately $774 and $1,255, respectively, for assessments and remediation. Substantially all of these expenditures were submitted for reimbursement from state-sponsored trust fund programs. As of April 30, 2019, approximately $23,046 has been received from such programs since inception. The payments are typically subject to statutory provisions requiring repayment of the reimbursed funds for noncompliance with upgrade provisions or other applicable laws. None of the reimbursements received are currently expected to be repaid by the Company to the trust fund programs. At April 30, 2019, we had an accrued liability of approximately $381 for estimated expenses related to anticipated corrective actions or remediation efforts, including relevant legal and consulting costs. We believe we have no material joint and several environmental liability with other parties.

ITEM 1A. RISK FACTORS

You should carefully consider the risks described in this report before making a decision to invest in our securities. If any of such risks actually occur, our business, financial condition, and/or results of operations could be materially adversely affected. In that case, the trading price of our securities could decline and you might lose all or part of your investment.

Risks Related to Our Industry

Our business and our reputation could be adversely affected by a data security incident or the failure to protect sensitive customer, employee or vendor data, or the failure to comply with applicable regulations relating to data security and privacy.

In the normal course of our business, we obtain and have access to large amounts of personal data, including but not limited to credit and debit card information and other personally identifiable information from our customers, employees, and vendors. While we invest significant resources and have engaged professional advisers in the protection of such data and information, our IT systems, and incident response programs, and maintain what we believe are adequate security controls, a compromise or a breach in our systems, or other data security incident that results in the loss, unauthorized release, disclosure or acquisition of such data or information, or other sensitive data or information, could nonetheless occur and have a material adverse effect on our reputation, operating results and financial condition.

A data security incident of any kind could expose us to risk in terms of the loss, unauthorized release, disclosure or acquisition of sensitive customer, employee or vendor data, and could result in litigation or other regulatory action being brought against us and damages, monetary and other claims made by or on behalf of the payment card brands, customers, employees, shareholders, financial institutions and governmental agencies. Such claims could give rise to substantial monetary damages and losses which are not covered, or in some instances fully covered, by our insurance policies and which could adversely affect our reputation, results of operations, financial condition and liquidity. Moreover, a data security incident could require that we expend significant additional resources on mitigation efforts and to further upgrade the security and other measures that we employ to guard against, and respond to, such incidents.

The convenience store industry is highly competitive.

The convenience store and retail fuel industries in which we operate are highly competitive and characterized by ease of entry and constant change in the number and type of retailers offering the products and services found in our stores. We compete with many other convenience store chains, gasoline stations, supermarkets, drugstores, discount stores, club stores, fast food outlets, and mass merchants, and a variety of other retail companies, including retail gasoline companies that have more extensive retail outlets, greater brand name recognition and established fuel supply arrangements. Several non-traditional retailers such as supermarkets, club stores, and mass merchants have affected the convenience store industry by entering the retail fuel business. These non-traditional fuel retailers have obtained a significant share of the motor fuels market, and their market share is expected to grow. Certain of these non-traditional retailers may use more extensive promotional pricing or discounts, both at the fuel pump and in the store, to encourage in-store merchandise sales and gasoline sales. In some of our markets, our competitors have been in existence longer and have greater financial, marketing, and other resources than we do. As a result, our competitors may have a greater ability to bear the economic risks inherent in our industry, and may be able to respond better to changes in the economy and new opportunities within the industry. This intense competition could adversely affect our revenues and profitability, and have a material adverse impact on our business and results of operations.

The volatility of wholesale petroleum costs could adversely affect our operating results.

Our net income is significantly affected by changes in the margins we receive on our retail fuel sales. Over the past three fiscal years, on average our fuel revenues accounted for approximately 61% of total revenue and our fuel revenue less cost of goods sold excluding depreciation and amortization accounted for approximately 23% of the total revenue less cost of goods sold excluding depreciation and amortization. Crude oil and domestic wholesale petroleum markets are marked by significant volatility. General political conditions, threatened or actual acts of war or terrorism, and instability or other changes in oil producing regions, particularly in the Middle East and South America, can significantly affect crude oil supplies and wholesale petroleum costs. In addition, the supply of fuel and wholesale purchase costs could be adversely affected in the event of a shortage, which could result from, among other things, lack of capacity at United States oil refineries or, in our case, the absence of fuel contracts that guarantee an uninterrupted, unlimited supply of fuel. Increases in the retail price of petroleum products have resulted and could in the future adversely affect consumer demand for fuel. This volatility makes it difficult to predict the impact that future wholesale cost fluctuations will have on our operating results and financial condition in future periods. Any significant change in one or more of these factors could materially affect the number of fuel gallons sold, fuel revenue less cost of goods sold excluding depreciation and amortization and overall customer traffic, which in turn could have a material adverse effect on our business, financial condition and results of operations.

General economic conditions that are largely out of the Company's control may adversely affect the Company's financial condition and results of operations.

Current economic conditions, higher interest rates, higher fuel and other energy costs, inflation, increases or fluctuations in commodity prices such as cheese and coffee, higher levels of unemployment, higher consumer debt levels, higher tax rates and other changes in tax laws or other economic factors may affect input costs and consumer spending or buying habits, and could adversely affect the costs of the products we sell in our stores and the consumer demand for such products. Unfavorable economic conditions, especially those affecting the agricultural industry, higher fuel prices, and unemployment levels can affect consumer confidence, spending patterns, and miles driven, and can cause customers to "trade down" to lower priced products in certain categories when these conditions exist. These factors can lead to sales declines, and in turn have an adverse impact on our business, financial condition and results of operations.

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.

Congress has given the Food and Drug Administration ("FDA") broad authority to regulate tobacco and nicotine products, and the FDA has enacted numerous regulations restricting the sale of such products. These governmental actions, as well as national, state and local campaigns and regulations to discourage tobacco and nicotine use and limit the sale of such products, including but not limited to certain actions taken to increase the minimum age in order to purchase such products, have resulted or may in the future result in, reduced industry volume and consumption levels, and could materially affect the retail price of cigarettes, unit volume and revenues, gross profit, and overall customer traffic, which in turn could have a material adverse effect on our business, financial condition and results of operations.

Also, increasing regulations for e-cigarettes and vapor products could offset some of the gains we have experienced from selling these types of products.

Consumer or other litigation could adversely affect our financial condition and results of operations.

Our retail operations are characterized by a high volume of customer traffic and by transactions involving a wide array of product selections, including prepared food. These operations carry a higher exposure to consumer litigation risk when compared to the operations of companies operating in many other industries. Consequently, we may become a party to personal injury, bad fuel, product liability, accessibility and other legal actions in the ordinary course of our business. While these actions are generally routine in nature, incidental to the operation of our business and immaterial in scope, if our assessment of any action or actions should prove inaccurate, our financial condition and results of operations could be adversely affected.

Additionally, we are occasionally exposed to industry-wide or class-action claims arising from the products we carry, industry-specific business practices or other operational matters. Our defense costs and any resulting damage awards or settlement amounts may not be covered, or in some instances fully covered, by our insurance policies. Thus, an unfavorable outcome or settlement of one or more of these lawsuits could have a material adverse effect on our financial position, liquidity and results of operations.

Increased credit card expenses could increase operating expenses.

A significant percentage of our sales are made with the use of credit cards. Because the interchange fees we pay when credit cards are used to make purchases are based on transaction amounts, higher fuel prices at the pump and higher gallon movement result in higher credit card expenses. These additional fees increase operating expenses. Higher operating expenses that result from higher credit card fees may decrease our overall profit and have a material adverse effect on our business, financial condition and results of operations. Total credit card fees paid in fiscal 2019, 2018, and 2017, were approximately $127 million, $123 million, and $110 million, respectively.

Developments related to fuel efficiency, fuel conservation practices, climate change, and changing consumer preferences may decrease the demand for motor fuel.

Technological advances and consumer behavior in reducing fuel use and governmental mandates to improve fuel efficiency could lessen the demand for our largest revenue product, petroleum-based motor fuel, which may have a material adverse effect on our business, financial condition, and results of operation. Changes in our climate, including the effects of greenhouse gas emissions in the environment, may lessen demand or lead to additional government regulation. In addition, a shift toward electric, hydrogen, natural gas or other alternative fuel-powered vehicles, including driverless motor vehicles, could fundamentally change the shopping and driving habits of our customers or lead to new forms of fueling destinations or new competitive pressure. Any of these outcomes could potentially result in fewer customer visits to our stores, decreases in sales revenue across all categories or lower profit margins, which could have a material adverse effect on our business, financial condition and results of operations.

Wholesale cost and tax increases relating to tobacco and nicotine products could affect our operating results.

Sales of tobacco and nicotine products have averaged approximately 11% of our total revenue over the past three fiscal years, and our tobacco and nicotine revenue less cost of goods sold excluding depreciation and amortization accounted for approximately 10% of the total revenue less cost of goods sold excluding depreciation and amortization for the same period. Any significant increases in wholesale cigarette and related product costs or tax increases on tobacco or nicotine products may have a materially adverse effect on unit demand for cigarettes (or related products). Currently, major cigarette and tobacco and nicotine manufacturers offer significant rebates to retailers, although there can be no assurance that such rebate programs will continue. We include these rebates as a component of cost of goods sold, which affects our gross margin from sales of cigarettes and related products. In the event these rebates are no longer offered or decreased, our wholesale cigarette and related product costs will increase accordingly. In general, we attempt to pass price increases on to our customers. Due to competitive pressures in our markets, however, we may not always be able to do so. These factors could adversely affect our retail price of cigarettes and related products, cigarette or related product unit volume and revenues, merchandise revenue less cost of goods sold excluding depreciation and amortization, and overall customer traffic, and in turn have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Our Business

Food-safety issues and food-borne 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.

Instances or reports of food-safety issues, such as food-borne illnesses, food tampering, food contamination or mislabeling, either during growing, manufacturing, packaging, transportation, storage, preparation or service, have in the past significantly damaged the reputations and impacted the sales of companies in the food processing, grocery, quick service and "fast casual" restaurant sectors, and could affect us as well. Any instances of, or reports linking us to, food-borne illnesses or food tampering, contamination, mislabeling or other food-safety issues could damage the value of our brand and severely hurt sales of our prepared food products and possibly lead to product liability and personal injury claims, litigation (including class actions), government agency investigations and damages. In addition, customer preferences and store traffic could be adversely impacted by food-safety issues, health concerns or negative publicity about the consumption of our products, which could cause a decline in demand for those products and adversely impact our sales.

We may experience difficulties implementing and realizing the results of our value creation plan.

We are engaged in a multi-year implementation of our "value creation plan" for our business centered around three key initiatives - our fleet card program, digital engagement, and price optimization. While we have invested, and will continue to invest, significant resources in planning, development, project management and implementation of the plan, it is possible that we may experience significant delays, increased costs and other difficulties that are not presently contemplated. Further, the intended results of the plan may not be realized as anticipated. Any such issues could adversely affect our operations and negatively impact our business, results of operations and financial condition.

Any failure to anticipate and respond to changes in consumer preferences, or to introduce and promote innovative technology for customer interaction, could adversely affect our financial results.

Our continued success depends on our ability to remain relevant with respect to consumer needs and wants, attitudes toward our industry and our customers' preferences for ways of doing business with us, particularly with respect to digital engagement. We must continually work to develop, produce and market new products, maintain and enhance the recognition of our brands, offer a favorable mix of products, and refine our approach as to how and where we market and sell our products. This risk is compounded by the increasing use of social and digital media by consumers and the speed by which information and opinions are shared. If we are unable to anticipate and respond to sudden challenges that we may face in the marketplace, trends in the market for our products and changing consumer demands and sentiment, it could have a material adverse effect on our business, financial condition and results of operations.

Unfavorable weather conditions can adversely affect our business.

All of our stores are located in the central region of the United States, which is susceptible to tornadoes, thunderstorms, extended periods of rain or unseasonably cold temperatures, flooding, ice storms, and heavy snow. Inclement weather conditions could damage our facilities or could have a significant impact on consumer behavior, travel, and convenience store traffic patterns as well as our ability to operate our locations. In addition, we typically generate higher revenues and gross margins during warmer weather months, which fall within our first and second fiscal quarters. When weather conditions are not favorable during a particular period, our operating results and cash flow from operations could be adversely affected.

Because we depend on our management's and other employees' experience and knowledge of our industry, we could be adversely affected were we to lose, or experience difficulty in recruiting and retaining, any such members of our team.

We are dependent on the continued knowledge and efforts of our management team and other key employees. If, for any reason, our executives do not continue to be active in management, or we lose such persons, or other key employees, or we fail to identify and/or recruit for current or future positions of need, our business, financial condition or results of operations could be adversely affected. We also rely on our ability to recruit qualified drivers, store managers, supervisors, district managers, regional managers and other store personnel. Failure to continue to attract these individuals at reasonable compensation levels could have a material adverse effect on our business and results of operations.

We rely on our information technology systems to manage numerous aspects of our business, and a disruption of these systems could adversely affect our business.

We depend on our information technology (IT) systems to manage and operate numerous aspects of our business, provide analytical information to management and serve as a platform for our business continuity plan. Our IT systems are an essential component of our business and growth strategies, and a serious disruption to our IT systems could significantly limit our ability to manage and operate our business efficiently. These systems are vulnerable to, among other things, damage and interruption from power loss or natural disasters, computer system and network failures, loss of telecommunications services, physical and electronic loss of, or loss of access to, data and information, security breaches or other security incidents, and computer viruses or attacks. Any disruption could cause our business and competitive position to suffer and cause our operating results to be reduced.

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 rely on our distribution and transportation network to provide products to our stores in a timely and cost-effective manner. Product is moved from vendor locations to the two distribution centers. Deliveries to our stores occur from the distribution center or directly from our vendors. Any disruption, unanticipated or unusual expense or operational failure related to this process could affect our store operations negatively.

We depend on regular deliveries of products to and from our facilities and stores that meet our specifications. In addition, we may have a single supplier or limited number of suppliers for certain products. While we believe there are adequate reserve quantities and alternative suppliers, shortages or interruptions in the receipt or supply of products caused by unanticipated demand, problems in production or distribution, financial or other difficulties of suppliers, inclement weather or other conditions could adversely affect the availability, quality and cost of products, and our operating results.

We may experience increased costs, disruptions or other difficulties with the implementation, operation and functionality of our new enterprise resource planning system.

We are engaged in a phased implementation of a new enterprise resource planning (ERP) system, which will replace or enhance certain internal financial and operating systems that are critical to our business operations. The first phase of implementation was completed in November 2018. The implementation, operation, and functionality of the ERP system has and will continue to require a significant investment of human, technological, and financial resources. While we have invested, and continue to invest, significant resources in planning, project management, consulting, and training, it is possible that significant implementation, operational, and functionality issues may arise during the course of implementing and utilizing the ERP system, and it is further possible that we may experience significant delays, increased costs, and other difficulties that are not presently contemplated. Any significant disruptions, delays, deficiencies, or errors in the design, implementation, and utilization of the ERP system could adversely affect our operations, prevent us from accurately and timely reporting our financial results, and negatively impact our business, results of operations and financial condition. Additionally, if we do not effectively implement and utilize the ERP system as planned or the system does not operate as intended, the effectiveness of our internal control over financial reporting could be adversely affected or our ability to assess it adequately could be delayed.

Control deficiencies could prevent us from accurately and timely reporting our financial results.

Our internal control over financial reporting constitutes a process, including controls, designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with U.S. generally accepted accounting principles. We have in the past and may in the future identify deficiencies in our internal control over financial reporting, including significant deficiencies and material weaknesses. Failure to identify and remediate deficiencies in our internal control over financial reporting in a timely manner could prevent us from accurately and timely reporting our financial results, which could cause us to fail to meet our reporting obligations, lead to a loss of investor confidence and have a negative impact on the trading price of our common stock.

Our operations present hazards and risks which may not be fully covered by insurance, if insured.

The scope and nature of our operations present a variety of operational hazards and risks that must be managed through continual oversight and control. As protection against hazards and risks, we maintain insurance against many, but not all, potential losses or liabilities arising from such risks. Uninsured losses and liabilities from operating risks could reduce the funds available to us for capital and investment spending and could have a material adverse impact on the results of operations.

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

An important part of our growth strategy has been to purchase properties on which to build our stores, and in certain instances, acquire other convenience stores that complement our existing stores or broaden our geographic presence. We expect to continue pursuing acquisition opportunities, which involve risks that could cause our actual growth or operating results to differ materially from our expectations or the expectations of securities analysts. These risks include, but are not limited to, the inability to identify and acquire suitable sites at advantageous prices; competition in targeted market areas; difficulties during the acquisition process in discovering some of the liabilities of the businesses that we acquire; difficulties associated with our existing financial controls, information systems, management resources and human resources needed to support our future growth; difficulties with hiring, training and retaining skilled personnel, including store managers; difficulties in adapting distribution and other operational and management systems to an expanded network of stores; difficulties in obtaining governmental and other third-party consents, permits and licenses needed to operate additional stores; difficulties in obtaining the cost savings and financial improvements we anticipate from future acquired stores; the potential diversion of our management's attention from focusing on our core business due to an increased focus on acquisitions; and, challenges associated with the consummation and integration of any future acquisition.

Covenants in our senior notes and credit facility agreements require us to comply with certain covenants and meet financial maintenance tests. Failure to comply with these requirements could have a material impact to us.

We are required to comply with certain financial and non-financial covenants under our existing senior notes and credit facility agreements. A breach of any covenant could result in a default under such agreements, which could, if not timely cured, permit lenders to declare all amounts outstanding to be immediately due and payable, and to terminate such instruments, which in turn could have a material adverse effect on our business, financial condition and results of operation.

Compliance with and changes in tax laws could adversely affect our performance.

We are subject to extensive tax liabilities imposed by multiple jurisdictions, including but not limited to income taxes, indirect taxes (excise, sales/use, and gross receipts taxes), payroll taxes, property taxes, and tobacco taxes. Tax laws and regulations are dynamic and subject to change as new laws are passed and new interpretations of existing laws are issued and applied. The activity could result in increased expenditures for tax liabilities in the future. Many of these liabilities are subject to periodic audits by the respective taxing authorities. Subsequent changes to our tax liabilities as a result of these audits may subject us to interest and penalties.

We are subject to extensive governmental regulations.

Our business is subject to extensive governmental laws and regulations that include, but are not limited to, those relating to environmental protection and remediation; the preparation, sale and labeling of food; minimum wage, overtime and other employment laws and regulations; compliance with the Patient Protection and Affordable Care Act and the Americans with Disabilities Act; legal restrictions on the sale of alcohol, tobacco and nicotine products, money orders, lottery/lotto and other age-restricted products; compliance with the Payment Card Industry Data Security Standards and similar requirements; compliance with the Federal Motor Carriers Safety Administration regulations; and, securities laws and Nasdaq listing standards. The costs of compliance with these laws and regulations is substantial, and a violation of or change in such laws and/or regulations could have a material adverse effect on our business, financial condition, and results of operations.

State laws regulate the sale of alcohol, tobacco and nicotine products, lottery/lotto products and other age-restricted products. A violation or change of these laws could adversely affect our business, financial condition, and results of operations because state and local regulatory agencies have the power to approve, revoke, suspend, or deny applications for and renewals of permits and licenses relating to the sale of certain of these products or to seek other remedies.

Any appreciable increase in wages, overtime pay, or the statutory minimum salary requirements, minimum wage rate, mandatory scheduling or scheduling notification laws, or the adoption of additional mandated healthcare or paid-time-off benefits would result in an increase in our labor costs. Such cost increases, or the penalties for failing to comply, could adversely affect our business, financial condition, and results of operations. State or federal lawmakers or regulators may also enact new laws or regulations applicable to us that may have a material adverse and potentially disparate impact on our business.

The dangers inherent in the storage and transport of motor fuel could cause disruptions and could expose to us potentially significant losses, costs or liabilities.

We store motor fuel in storage tanks at our retail locations. Additionally, a significant portion of motor fuel is transported in our own trucks, instead of by third-party carriers. Our operations are subject to significant hazards and risks inherent in transporting and storing motor fuel. These hazards and risks include, but are not limited to, fires, explosions, traffic accidents, spills, discharges and other releases, any of which could result in distribution difficulties and disruptions, environmental pollution, governmentally-imposed fines or clean-up obligations, personal injury or wrongful death claims and other damage to our properties and the properties of others. As a result, any such event could have a material adverse effect on our business, financial condition and results of operations.

The prices of "RINs" fluctuate widely.

In certain states, we blend bulk fuel with ethanol and bio-diesel and sell the associated “renewable identification numbers” (“RINs”) that are generated in the process. The market prices paid to us for our RINs can fluctuate widely from period to period and can have a significant impact on our financial results for a particular period or periods. The market price for RINs fluctuates based on a variety of factors including, but not limited to, governmental and regulatory action, perceptions concerning the prospect for changes in the renewable fuels standards or the future availability of RINs, and other market dynamics. During the past three fiscal years, the average sale price has been $0.56 per RIN. Due to the inherent price volatility of RINs, there can be no assurance that we will be able to sell our RINs in the future at any particular price. Any significant decline in the market price of RINs could have a material adverse effect on our results of operations in a particular period or periods.

Other Risks

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.

Securities markets worldwide experience significant price and volume fluctuations. This market volatility could significantly affect the market price of our common stock without regard to our operating performance. In addition, the price of our common stock could be subject to wide fluctuations in response to these, and other factors: a deviation in our results from the expectations of public market analysts and investors; statements by research analysts about our common stock, company, or industry; changes in market valuations of companies in our industry and market evaluations of our industry generally; additions or departures of key personnel; actions taken by our competitors; sales of common stock by the Company, senior officers, or other affiliates; and, other general economic, political, or market conditions, many of which are beyond our control

The market price of our common stock will also be affected by our quarterly operating results and same store sales results, which may be expected to fluctuate. Some of the factors that may affect our quarterly results and same store sales include general, regional, and national economic conditions; competition; unexpected costs; changes in retail pricing, consumer trends, and the number of stores we open and/or close during any given period; costs of compliance with corporate governance and Sarbanes-Oxley requirements. Other factors are discussed throughout Management’s Discussion and Analysis of Financial Condition and Results of Operations. You may not be able to resell your shares of our common stock at or above the price you pay.

Any issuance of shares of our common stock in the future could have a dilutive effect on your investment.

We could issue additional shares for investment, acquisition, or other business purposes. Even if there is not an immediate need for capital, we may choose to issue securities to sell in public or private equity markets, if and when conditions are favorable. Raising funds by issuing securities would dilute the ownership interests of our existing shareholders. Additionally, certain types of equity securities we may issue in the future could have rights, preferences, or privileges senior to the rights of existing holders of our common stock.

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.

Our articles of incorporation give the Company’s board of directors the authority to issue up to one million shares of preferred stock and to determine the rights and preferences of the preferred stock without obtaining shareholder approval. The existence of this preferred stock could make it more difficult or discourage an attempt to obtain control of the Company by means of a tender offer, merger, proxy contest, or otherwise. Furthermore, this preferred stock could be issued with other rights, including economic rights, senior to our common stock, thereby having a potentially adverse effect on the market price of our common stock.

Although the Company will begin a phased declassification of its board of directors over a three-year period starting with the Company's 2019 annual shareholders' meeting, its board of directors is currently staggered. Our staggered board, along with other provisions of our articles of incorporation and bylaws and Iowa corporate law, could make it more difficult for a third party to acquire us or remove our directors by means of a proxy contest, even if doing so would be beneficial to our shareholders. For example, Section 409.1110 of the Iowa Business Corporation Act prohibits publicly held Iowa corporations to which it applies from engaging in a business combination with an interested shareholder for a period of three years after the date of the transaction in which the person became an interested shareholder unless the business combination is approved in a prescribed manner. Further, Section 490.1108A of the Iowa Business Corporation Act permits a board of directors, in the context of a takeover proposal, to consider not only the effect of a proposed transaction on shareholders, but also on a corporation's employees, suppliers, customers, creditors, and on the communities in which the corporation operates. These provisions could discourage others from bidding for our shares and could, as a result, reduce the likelihood of an increase in our stock price that would otherwise occur if a bidder sought to buy our stock.

We may, in the future, adopt other measures (such as a shareholder rights plan or "poison pill") that could have the effect of delaying, deferring, or preventing an unsolicited takeover, even if such a change in control were at a premium price or favored by a majority of unaffiliated shareholders. These measures may be adopted without any further vote or action by our shareholders.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

We own our corporate headquarters (built in 1990) and both distribution centers. Located on an approximately 57-acre site in Ankeny, Iowa, our corporate headquarters, our first distribution center, and our vehicle service and maintenance center occupy a total of approximately 375,000 square feet. We also own a building near our corporate headquarters where our construction and support services departments operate. In February 2016, we opened our second distribution center, located in Terre Haute, Indiana. This second distribution center has approximately 300,000 square feet of warehouse space.

On April 30, 2019, we also owned the land at 2,120 store locations and the buildings at 2,125 locations and leased the land at 26 locations and the buildings at 21 locations. Most of the leases provide for the payment of a fixed rent plus property taxes, insurance, and maintenance costs. Generally, the leases are for terms of ten to twenty years with options to renew for additional periods or options to purchase the leased premises at the end of the lease period. Additionally, the Company regularly has land held for development, land under construction for new stores, and land held for sale as a result of store closures.

ITEM 3. LEGAL PROCEEDINGS

The information required to be set forth under this heading is incorporated by reference from Note 10, Contingencies, to the Consolidated Financial Statements included in Part II, Item 8.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Common Stock

Casey's common stock trades on the Nasdaq Global Select Market under the symbol CASY. The 36,664,521 shares of common stock outstanding at April 30, 2019 had a market value of approximately $4.9 billion. On that date there were 1,618 shareholders of record.

Common Stock Market Prices

Calendar 2017	High	Low	Calendar 2018	High	Low	Calendar 2019	High	Low
Q1	$ 120.90	$ 107.43	Q1	$ 128.51	$ 105.45	Q1	$ 138.45	$ 122.86
Q2	$ 117.80	$ 104.64	Q2	$ 110.83	$ 90.42			
Q3	$ 112.61	$ 99.76	Q3	$ 130.74	$ 102.47			
Q4	$ 125.35	$ 103.50	Q4	$ 137.08	$ 116.23			

Dividends

We began paying cash dividends during fiscal 1991.The dividends declared in fiscal 2019 totaled $1.16 per share. The dividends declared in fiscal 2018 totaled $1.04 per share. On June 5, 2019, the Board of Directors declared a quarterly dividend of $0.32 per share payable August 15, 2019 to shareholders of record on August 1, 2019. The Board typically reviews the dividend every year at its June meeting.

The cash dividends declared during the calendar years 2017-19 were as follows:

Calendar 2017	Cash dividend declared	Calendar 2018	Cash dividend declared	Calendar 2019	Cash dividend declared
Q1	$ 0.240	Q1	$ 0.260	Q1	$ 0.290
Q2	0.260	Q2	0.290	Q2	0.320
Q3	0.260	Q3	0.290		
Q4	0.260	Q4	0.290		
	1.020		1.130		

Issuer Purchases of Equity Securities

The following table sets forth information with respect to the Company's repurchases of common stock during the quarter ended April 30, 2019:

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 (1)
Fourth Quarter:				
February 1-28, 2019	—	$ —	—	$ 300,000,000
March 1-31, 2019	—	—	—	300,000,000
April 1-30, 2019	—	—	—	$ 300,000,000
Total	—	$ —	—	$ 300,000,000

(1) On March 6, 2017, the Company announced a share repurchase program, wherein the Company was authorized to repurchase up to an aggregate of $300 million of the Company's outstanding common stock. The share repurchase authorization was valid for a period of two years. The repurchase was completed in May 2018. In March 2018, the Company announced a second share repurchase program with an aggregate $300 million repurchase authorization, also valid for two years. The timing and number of repurchase transactions under the program depends on a variety of factors including, but not limited to, market conditions, corporate considerations, business opportunities, debt agreements, and regulatory requirements. The program can be suspended or discontinued at any time. No stock was repurchased in the fourth quarter or fiscal year related to that authorization.

ITEM 6. SELECTED FINANCIAL DATA

(In thousands, except per share amounts)

Statement of Income Data

	Years ended April 30,				
	2019	2018	2017	2016	2015
Total revenue	**$ 9,352,910**	$ 8,391,124	$ 7,506,587	$ 7,122,086	$ 7,767,216
Cost of goods sold (exclusive of depreciation and amortization, shown separately below)	**7,398,186**	6,621,731	5,825,426	5,508,465	6,327,431
Operating expenses	**1,391,279**	1,283,046	1,172,328	1,053,805	960,424
Depreciation and amortization	**244,387**	220,970	197,629	170,937	156,111
Interest, net	**55,656**	50,940	41,536	40,173	41,225
Income before income taxes	**263,402**	214,437	269,668	348,706	282,025
Federal and state income taxes	**59,516**	(103,466)	92,183	122,724	101,397
Net income	**$ 203,886**	$ 317,903	$ 177,485	$ 225,982	$ 180,628
Basic earnings per common share	**$ 5.55**	$ 8.41	$ 4.54	$ 5.79	$ 4.66
Diluted earnings per common share	**$ 5.51**	$ 8.34	$ 4.48	$ 5.73	$ 4.62
Weighted average number of common shares outstanding—basic	36,710	37,778	39,125	39,016	38,743
Weighted average number of common shares outstanding—diluted	36,975	38,132	39,579	39,422	39,104
Dividends declared per common share	$ 1.16	$ 1.04	$ 0.96	$ 0.88	$ 0.80

Balance Sheet Data

	As of April 30,				
	2019	2018	2017	2016	2015
Current assets	**410,580**	$ 396,840	$ 350,685	$ 325,885	$ 305,260
Total assets	**$ 3,731,376**	3,469,927	3,020,102	2,726,148	2,469,965
Current liabilities	**590,932**	507,850	446,546	387,571	364,889
Long-term debt, net of current maturities	**1,283,275**	1,291,725	907,356	822,869	838,245
Shareholders’ equity	**1,408,769**	1,271,141	1,190,620	1,083,463	875,229

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars and gallons in thousands, except per share amounts)

Please read the following discussion of the Company’s financial condition and results of operations in conjunction with the selected historical consolidated financial data and consolidated financial statements and accompanying notes presented elsewhere in this Form 10-K.

Overview

The Company primarily operates convenience stores under the names "Casey's" and “Casey’s General Store” in 16 Midwestern states, primarily in Iowa, Missouri and Illinois. On April 30, 2019, there were a total of 2,146 stores in operation. All but four Casey's Stores offer fuel for sale on a self-serve basis and all carry a broad selection of food (including freshly prepared foods such as pizza, donuts and sandwiches), beverages, tobacco and nicotine products, health and beauty aids, automotive products and other non-food items. We derive our revenue from the retail sale of fuel and the products offered in our stores.

Approximately 56% of all Casey's Stores were opened in areas with populations of fewer than 5,000 people, while approximately 18% of all stores were opened in communities with populations exceeding 20,000 persons. The Marketing Company operates two distribution centers, through which grocery and general merchandise, and prepared food items are supplied to our stores. One is adjacent to our Corporate Headquarters facility in Ankeny, Iowa. The other was opened in February 2016 in Terre Haute, Indiana. At April 30, 2019, the Company owned the land at 2,120 store locations and the buildings at 2,125 locations, and leased the land at 26 locations and the buildings at 21 locations. The Company's business is seasonal, and generally the Company experiences higher sales and profitability during the first and second fiscal quarters (May-October), when customers tend to purchase greater quantities of fuel and certain convenience items such as beer, pop and ice.

The following table represents the roll forward of store growth through the fourth quarter of fiscal 2019:

	Store Count
Stores at 4/30/18	2,073
New Store Construction	56
Acquisitions	24
Acquisitions not opened	(2)
Prior Acquisitions opened	5
Closed	(10)
Stores at 4/30/19	2,146

Quarterly and Year-To-Date Summary Results

During the fourth quarter of fiscal 2019, the Company earned $0.68 in diluted earnings per share compared to $0.51 per share for the same quarter a year ago. Fiscal 2019 diluted earnings per share was $5.51 compared to $3.81 last year, or $8.34 when including the one-time benefit of the adoption of the Tax Cuts and Jobs Act.

The fourth quarter results reflected an average margin of approximately 18.6 cents per gallon and a 2.8% decrease in same-store fuel gallons sold (compared to an average margin of 16.3 cents per gallon and a 2.0% increase in same-store fuel gallons sold last year). The Company's fourth quarter fuel margin included the sale of approximately 18.6 million renewable fuel credits for $3.5 million (compared to 14.8 million credits sold last year for $7.9 million). For the year, we sold 73.1 million renewable fuel credits for $15.1 million. In the prior year we sold 65.9 million credits for $47.5 million. Renewable fuel credit values are driven by market conditions, where credits were trading significantly lower throughout fiscal 2019. For the fiscal year, average fuel margin was 20.3 cents per gallon while same-store gallons decreased 1.7%. In the prior year, average fuel margin was 18.5 cents per gallon while same-store gallons increased 2.3%. Historically, our retail fuel strategy has been to price to the competition, where the timing of retail price changes was driven by local competitive conditions. Over the course of fiscal 2019, the Company, as part of its evolving strategy around fuel price optimization, has been more proactive and balanced in driving changes to market prices to grow gross profit dollars, which has contributed to a higher fuel margin and lower same-store fuel gallons sold. In addition, softer demand in the Midwest adversely impacted same-store fuel gallons sold in the quarter. Same store sales of grocery & other merchandise increased 5.7% and prepared foods & fountain increased 2.0% during the fourth quarter of fiscal 2019, as compared to the same period in the prior year.

Company Initiatives

The Company believes that reducing energy consumption where feasible is a sound long-term business strategy that reduces operating expenses. While individually and in aggregate the financial impact of these initiatives may not be material, implementing them throughout our operations is a part of our overall expense management. As an example, all newly constructed stores use 100 percent high efficiency LED lighting. The Company is also in the process of retrofitting all of our legacy stores with LED lighting. The project was expected to be a four or five year project that should be completed by the end of fiscal 2020. Also, when we perform a major remodel of an existing store, the fluorescent lighting is replaced with LED lighting. Furthermore, new canopies over the fuel pumps are installed with time systems and photo eyes to help control the canopy lighting.

For further information concerning the Company's operating environment and certain conditions that may affect future performance, see the "Forward-looking Statements" at the end of this Item 7.

Fiscal 2019 Compared with Fiscal 2018

Total revenue for fiscal 2019 increased 11.5% ($961,786) to $9,352,910, primarily due to a 8.8% increase in the price of fuel (which generated an additional $454,594) and number of fuel gallons sold (which generated an additional $248,188), and a

$254,047 increase in grocery & other merchandise and prepared food & fountain. Retail fuel sales for the fiscal year were $5,848,770, an increase of 13.7%. Fuel gallons sold increased 4.4% to 2.3 billion gallons. Inside sales increased 8.0% to $3,443,815, primarily due to operating 73 more stores than one year ago.

Total revenue less cost of goods sold (excluding depreciation and amortization) was 20.9% for fiscal 2019 compared with 21.1% for the prior year. Fuel cents per gallon increased to 20.3 cents in fiscal 2019 from 18.5 cents in fiscal 2018 primarily due to the Company's transition to a more balanced approach to fuel pricing and focus on optimizing gross profit dollars. The grocery & other merchandise revenue less related cost of goods sold (exclusive of depreciation and amortization) was higher at 32.1% in fiscal 2019 compared to 31.8% in fiscal 2018, due mainly to product mix shift and promotion optimization. The prepared food & fountain revenue less related cost of goods sold (exclusive of depreciation and amortization) increased to 62.2% from 61.0% during fiscal 2019, due mainly to strategic price increases, favorable commodity prices, and a product mix shift.

Operating expenses increased 8.4% ($108,233) in fiscal 2019 primarily due to operating 73 more stores than one year ago. The majority of all operating expenses are wages and wage-related costs.

Depreciation and amortization expense increased $23,417 (10.6%) to $244,387 in fiscal 2019 from $220,970 in fiscal 2018. The increase was due primarily to capital expenditures made in fiscal 2019 and fiscal 2018.

The effective tax rate increased to 22.6% in fiscal 2019 from (48.3)% in fiscal 2018. The increase in the effective tax rate was primarily due to the one-time benefit of the adoption of the 2017 Tax Cuts and Jobs Act ("Tax Reform Act") in the prior year.

Net income decreased to $203,886 in fiscal 2019 from $317,903 in fiscal 2018. The decrease was mainly due to the adoption of the Tax Reform Act, which amounted to approximately $173,000 of income upon adoption. This was offset by margin increases in each category in fiscal 2019, operating 73 more stores than one year ago, and improved same store sales metrics inside the store.

Fiscal 2018 Compared with Fiscal 2017

Total revenue for fiscal 2018 increased 11.8% ($884,537) to $8,391,124, primarily due to a 9.3% increase in the price of fuel (which generated an additional $411,656) and number of fuel gallons sold (which generated an additional $320,204), and a $148,989 increase in inside sales (grocery & other merchandise and prepared food & fountain). Retail fuel sales for the fiscal year were $5,145,988, an increase of 16.6%. Fuel gallons sold increased 6.6% to 2.2 billion gallons. Inside sales increased 4.9% to $3,189,768, primarily as a result of a $101,953 increase from stores that were built or acquired after April 30, 2016, and a $22,366 increase from the rollout and expansion of our operating programs in our stores (expanded hours at select locations, stores with pizza delivery, and major remodels).

Total revenue less cost of goods sold (excluding depreciation and amortization) was 21.1% for fiscal 2018 compared with 22.4% for the prior year. The fuel cents per gallon was consistent at 18.5 cents in fiscal 2018 compared to 18.4 in fiscal 2017. The grocery & other merchandise revenue less related cost of goods sold (exclusive of depreciation and amortization) was slightly higher at 31.8% in fiscal 2018 compared to 31.5% in fiscal 2017, due mainly to product mix shift. The prepared food & fountain revenue less related cost of goods sold (exclusive of depreciation and amortization) decreased to 61.0% from 62.3% during fiscal 2018, due mainly to increases in stales and more promotional activity.

Operating expenses increased 9.4% ($110,718) in fiscal 2018 primarily due to an increase from stores built or acquired after April 30, 2016 ($55,443), and the expansion of our operating programs noted above ($14,153). The majority of all operating expenses are wages and related costs.

Depreciation and amortization expense increased $23,341 (11.8%) to $220,970 in fiscal 2018 from $197,629 in fiscal 2017. The increase was due primarily to capital expenditures made in fiscal 2018 and fiscal 2017.

The effective tax rate decreased to (48.3)% in fiscal 2018 from 34.2% in fiscal 2017. The decrease in the effective tax rate was primarily due to the revaluation of net deferred tax liabilities as of the enactment date of the Tax Reform Act along with a reduction in the federal corporate tax rate from 35% to 30.4% (represents a blended rate as four months of our fiscal year are impacted by the new legislation) on our current fiscal year earnings.

Net income increased to $317,903 in fiscal 2018 from $177,485 in fiscal 2017. The increase was due to a combination of the adoption of the Tax Reform Act, an increase in the number of gallons sold, and slight increases in fuel margin and grocery margin. These were offset by a weaker agricultural economy, which has slowed the growth in customer traffic to stores, particularly inside the store combined with decreases in prepared food and fountain margins and unusual weather patterns compared to prior year.

COMPANY TOTAL REVENUE AND REVENUE LESS COST OF GOODS SOLD (EXCLUDING DEPRECIATION AND AMORTIZATION) BY CATEGORY

	Years ended April 30,		
	2019	2018	2017
Total revenue by category			
Fuel	**$ 5,848,770**	$ 5,145,988	$ 4,414,128
Grocery & other merchandise	**2,369,521**	2,184,147	2,087,349
Prepared food & fountain	**1,074,294**	1,005,621	953,430
Other	**60,325**	55,368	51,680
	$ 9,352,910	$ 8,391,124	$ 7,506,587
Revenue less cost of goods sold (excluding depreciation and amortization) by category			
Fuel	**$ 466,107**	$ 406,811	$ 378,347
Grocery & other merchandise	**759,817**	693,576	657,190
Prepared food & fountain	**668,598**	613,736	594,024
Other	**60,202**	55,270	51,600
	$ 1,954,724	$ 1,769,393	$ 1,681,161

INDIVIDUAL STORE COMPARISONS (1)

	Years ended April 30,		
	2019	2018	2017
Average retail sales	**$ 4,449**	$ 4,150	$ 3,817
Average retail inside sales	**1,649**	1,602	1,561
Average revenue less cost of goods sold (excl. depreciation and amortization) on inside items	**679**	643	633
Average retail sales of fuel	**2,800**	2,548	2,256
Average revenue less cost of goods sold (excluding depreciation and amortization) on fuel	**223**	202	194
Average operating income (2)	**281**	246	233
Average number of gallons sold	**1,097**	1,087	1,053

(1) Individual store comparisons include only those stores that had been in operation for at least one full year and remained open on April 30 of the fiscal year indicated.

(2) Average operating income represents retail sales less cost of goods sold and operating expenses attributable to a particular store; it excludes federal and state income taxes, and Company operating expenses not attributable to a particular store.

SAME STORE SALES GROWTH BY CATEGORY

	Years ended April 30,		
	2019	2018	2017
Fuel gallons (1)	**(1.7)%**	2.3%	2.1%
Grocery & other merchandise (1) (2)	**3.6 %**	1.9%	2.9%
Prepared food & fountain (2)	**1.9 %**	1.7%	4.8%

(1) The decline in fuel gallons in fiscal 2019 as compared to fiscal 2018 was a combination of declines in miles driven in the Midwest, along with the Company transition to a more balanced pricing approach that focuses on both gallon movement and margins. The increase in same-store Grocery & other merchandise in 2019 is primarily due to refinements in product offerings and promotional strategies.

(2) The decline in same store sales growth for grocery & other merchandise and prepared food & fountain for 2018 as compared to 2017 was due primarily to a reduction in customer traffic from a generally weaker agricultural economy, increased competitor promotional activity, and unusual weather patterns as compared to prior year.

The same store sales comparison includes aggregated individual store results for all stores open throughout both periods presented. When comparing quarterly data the store must be open for each entire quarter. When comparing annual data, the store must be open for each entire fiscal year being compared.

Remodeled stores that remained open or were closed for just a very brief period of time (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 (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 as well.

Use of Non-GAAP Measures

We define EBITDA as net income before net interest expense, income taxes, depreciation and amortization. Adjusted EBITDA further adjusts EBITDA by excluding the gain or loss on disposal of assets as well as impairment charges. Neither EBITDA nor Adjusted EBITDA are presented in accordance with GAAP.

We believe EBITDA and Adjusted EBITDA are useful to investors in evaluating our operating performance because securities analysts and other interested parties use such calculations as a measure of financial performance and debt service capabilities, and they are regularly used by management for internal purposes including our capital budgeting process, evaluating acquisition targets, and assessing store performance.

EBITDA and Adjusted EBITDA are not recognized terms under GAAP and should not be considered as a substitute for net income, cash flows from operating activities or other income or cash flow statement data. These measures have limitations as analytical tools, and should not be considered in isolation or as substitutes 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.

Because non-GAAP financial measures are not standardized, EBITDA and Adjusted 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 these non-GAAP financial measures with those used by other companies.

The following table contains a reconciliation of net income to EBITDA and Adjusted EBITDA for the three months and years ended April 30, 2019 and 2018, respectively:

	Three months ended		Years ended	
	April 30, 2019	April 30, 2018	**April 30, 2019**	April 30, 2018
Net income	25,212	$ 19,262	$ 203,886	$ 317,903
Interest, net	13,749	13,119	55,656	50,940
Depreciation and amortization	62,867	57,402	244,387	220,970
Federal and state income taxes	4,377	(477)	59,516	(103,466)
EBITDA	$ 106,205	$ 89,306	$ 563,445	$ 486,347
Loss on disposal of assets and impairment charges	225	271	1,384	2,281
Adjusted EBITDA	$ 106,430	$ 89,577	$ 564,829	$ 488,628

For the three months ended April 30, 2019, EBITDA and Adjusted EBITDA were up 18.9% and 18.8% respectively, when compared to the same period a year ago. The increase was due primarily to gross profit dollar margin expansion, particularly in the fuel margin, a focus on controlling operating expense growth, and operating 73 more stores than the same period a year ago, offset by decreased fuel gallons sold. For the year ended April 30, 2019, EBITDA and Adjusted EBITDA were up 15.9% and 15.6% respectively. The increase was due primarily to gross profit dollar margin expansion, particularly in the fuel margin, a focus on controlling operating expense growth, and operating 73 more stores than the same period a year ago, offset by decreased fuel gallons sold.

Critical Accounting Policies

Critical accounting policies are those accounting policies that management believes are important to the portrayal of our financial condition and results of operations and require management's most difficult, subjective judgments, often because of the need to estimate the effects of inherently uncertain factors.

Inventory

Inventories, which consist of merchandise and fuel, are stated at the lower of cost or market. For fuel, cost is determined through the use of the first-in, first-out (FIFO) method. For merchandise inventories, cost is determined through the use of the last-in, first-out (LIFO) method.

Long-lived Assets

The Company periodically monitors closed and underperforming stores for an indication that the carrying amount of assets may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, an impairment loss is recognized to the extent the carrying value of the assets exceeds their estimated fair value. The Company bases the estimated net realizable value of property and equipment on its experience in utilizing and/or disposing of similar assets and on estimates provided by its own and/or third-party real estate experts. Fair value is based on management's estimate of the future cash flows to be generated and the amount that could be realized from the sale of assets in a current transaction between willing parties, which are considered Level 3 inputs (See Note 3 to the consolidated financial statements). The estimate is derived from offers, actual sale or disposition of assets subsequent to year-end, and other indications of fair value. In determining whether an asset is impaired, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets, which for the Company is generally on a store-by-store basis. The Company recorded impairment charges of $1,167 in fiscal 2019, $507 in fiscal 2018, and $705 in fiscal 2017, a portion of which was related to replacement store and acquisition activities. Impairment charges are a component of operating expenses.

Self-insurance

We are primarily self-insured for employee healthcare, workers' compensation, general liability, and automobile claims. The self-insurance claim liability for workers' compensation, general liability, and automobile claims is determined actuarially at each year-end based on claims filed and an estimate of claims incurred but not yet reported. Actuarial projections of the losses are employed due to the potential of variability in the liability estimates. Some factors affecting the uncertainty of claims include the development time frame, settlement patterns, litigation and adjudication direction, and medical treatment and cost trends. The liability is not discounted. The balances of our self-insurance reserves were $44,334 and $39,777 for the years ended April 30, 2019 and 2018, respectively.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. We adopted the standard on May 1, 2018 using the modified retrospective approach. The Company adopted two changes that affect the timing of recognition of revenues related to gift card breakage income and the redemption of coupon box tops attached to our pizza boxes. The impact related to gift cards was $879, net of $321 of deferred taxes and was an increase to shareholders' equity with a reduction in deferred income. The impact related to box tops was $5,019, net of $1,816 of deferred taxes and was a reduction in shareholders' equity, with an increase in deferred income.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This update seeks to increase the transparency and comparability among entities by requiring public entities to recognize lease assets and lease liabilities on the balance sheet and disclose key information about leasing arrangements. To satisfy the standard's objective, a lessee will recognize a right-of-use asset representing its right to use the underlying asset for the lease term and a lease liability for the obligation to make lease payments. Both the right-of-use asset and lease liability will initially be measured at the present value of the lease payments, with subsequent measurement dependent on the classification of the lease as either a finance or an operating lease. For leases with a term of twelve months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term.

In July 2018, the FASB issued ASU 2018-10, *Leases (Topic 842) - Codification Improvements,* which contains several FASB Codification improvements for ASC Topic 842, including several implementation issues and ASU 2018-11, "Leases (Topic 842) - Targeted Improvements" which provides entities with an additional transition method for implementing ASC Topic 842. Entities have the option to apply the new standard at the adoption date, recognizing a cumulative-effect adjustment to the opening balance of retained earnings along with the modified retrospective approach previously identified, both of which include a number of practical expedients that companies may elect to apply. Under the cumulative-effect adjustment comparative periods would not be restated. Under the modified retrospective approach leases are recognized and measured under the noted guidance at the beginning of the earliest period presented. The new standard is effective for public companies for annual periods beginning after December 15, 2018, and interim periods within those years, with early adoption permitted. We will adopt this guidance as of May 1, 2019 using the modified retrospective approach and elect the cumulative-effect adjustment practical expedient. As a result of the transition method selected, the Company will not restate previously reported comparable periods. The effect of the adoption will not be material to our financial statements.

In October 2016, the FASB issued ASU No. 2016-16, *Intra-Entity Transfers of Assets Other than Inventory*. We adopted the standard in the quarter ended July 31, 2018. There was no material impact to the Company for the adoption of this standard.

In January 2017, the FASB issued ASU 2017-01, *Business Combinations, Clarifying the Definition of a Business*. The standard clarifies the definition of a business and adds guidance to assist entities in the determination of whether an acquisition (or disposal) represents assets or a business. The guidance requires the Company to utilize various criteria to evaluate whether or not an acquisition is a business. First, if substantially all of the fair value of the assets acquired is concentrated in a single asset or a group of similar identifiable assets, the acquired assets do not represent a business. If that is not the case, the update provides further guidance to evaluate if the acquisition represents a business focused on the nature and substance of the inputs and process acquired. The standard is generally expected to reduce the number of business combinations, which may impact the allocation of purchase consideration in future acquisitions. Where it is determined that an acquisition is not a business combination, there would be no resulting goodwill recorded. The Company prospectively adopted this guidance for all future acquisitions in the first quarter of fiscal 2019.

In August 2018, the FASB issued ASU 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract.* This standard provides guidance on accounting for costs of implementation activities performed in a cloud computing arrangement that is a service contract. The amendments in the update align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software and hosting arrangements that include an internal-use software license. The Company early adopted this guidance retrospectively, in the first quarter of fiscal 2019. The adoption did not have a material impact on our consolidated financial statements.

Liquidity and Capital Resources

Due to the nature of our business, cash provided by operations is our primary source of liquidity. We finance our inventory purchases primarily from normal trade credit aided by relatively rapid inventory turnover. This turnover allows us to conduct operations without large amounts of cash and working capital. As of April 30, 2019, the Company's ratio of current assets to current liabilities was 0.69 to 1. The ratio at April 30, 2018 and at April 30, 2017 was 0.78 to 1 and 0.82 to 1, respectively. We believe our current $300,000 secured revolver, our $25,000 unsecured bank line of credit, 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 increased $110,817 (26.4%) in the year ended April 30, 2019, primarily due to higher net income (excluding impact of adoption of tax reform), increases in accrued expenses and reduction in income taxes receivable, partially offset by increases in inventory. Cash used in investing activities in the year ended April 30, 2019 decreased $151,505 (24.9%) primarily due to the decreased level of acquisitions and new store construction. Cash flows used in financing activities increased $229,667, primarily due to proceeds from issuance of long-term debt in fiscal 2018, offset by repurchases of common stock that same year.

Capital expenditures represent the single largest use of Company funds. We believe that by reinvesting in stores, we will be better able to respond to competitive challenges and increase operating efficiencies. During fiscal 2019, we expended $462,899 for property and equipment, primarily for construction, acquisition, and remodeling of stores compared with $614,581 in the prior year. In fiscal 2020, we anticipate expending $516,000, primarily from existing cash, funds generated by operations, and long-term debt proceeds for our construction and acquisition of stores.

In January 2019, the Company entered into a new credit agreement that provides for a $300 million unsecured revolving credit facility which includes a $30 million sublimit for letters of credit and a $30 million sublimit for swingline loans (the "Credit Facility"). The maturity date is January 11, 2024. Amounts borrowed under the Credit Facility bear interest at variable rates based upon, at the Company's option, either (a) LIBOR plus an applicable margin or (b) an alternate base rate. The Credit Facility also carries a facility fee between 0.2% and 0.4% per annum based on the Company's consolidated leverage ratio as defined in the credit agreement. The Company has $75,000 outstanding under the new Credit Facility at April 30, 2019.

Concurrently with this new credit agreement, the Company also reduced its existing unsecured revolving line of credit from $150,000 to $25,000 (the "Bank Line"). 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 (the “Index”). The interest rate to be applied to the unpaid principal balance of the Bank Line was at a rate of 1.0% over the Index. There was $0 outstanding at April 30, 2019 and $39,600 outstanding at April 30, 2018. The line of credit is due upon demand.

As of April 30, 2019, we had long-term debt, net of current maturities, of $1,283,275 consisting of $569,000 in principal amount of 5.22% Senior notes; $0 in principal amount of 5.72% Senior notes ($15,000 in current maturities), Series A and B; $150,000 in principal amount of 3.67% Senior Notes, Series A; $50,000 in principal amount of 3.75% Senior Notes, Series B; $50,000 in principal amount of 3.65% Senior Notes, Series C; $50,000 in principal amount of 3.72% Senior Notes, Series D; $150,000 in principal amount of 3.51% Senior Notes, Series E; $250,000 in principal amount of 3.77% Senior Notes, Series F; and $14,275 of capital lease obligations.

Interest on the 5.22% Senior notes is payable on the 9th day of each February and August. Principal on the 5.22% Senior notes is payable in full on August 9, 2020. We may prepay the 5.22% notes in whole or in part at any time in an amount of not less than $2,000 at a redemption price calculated in accordance with the Note Agreement dated August 9, 2010 between the Company and the purchasers of the 5.22% Senior notes.

Interest on the 5.72% Senior notes Series A and Series B is payable on the 30th day of each March and September. Principal on the Senior notes Series A and Series B is payable in various installments beginning September 30, 2012 and continuing through March 2020. We may prepay the 5.72% Senior notes Series A and Series B in whole or in part at any time in an amount of not less than $2,000 at a redemption price calculated in accordance with the Note Agreement dated September 29, 2006 between the Company and the purchasers of the 5.72% Senior notes Series A and Series B.

Interest on the 3.67% Senior notes Series A and 3.75% Series B is payable on the 17th day of each June and December. Principal on the Senior notes Series A and Series B is payable in various installments beginning June 17, 2022 (Series A) and December 17, 2022 (Series B) through December 2028. We may prepay the 3.67% and 3.75% Senior notes in whole or in part at any time in an amount of not less than $2,000 at a redemption price calculated in accordance with the Note Agreement dated June 17, 2013, between the Company and the purchasers of the Senior notes Series A and Series B.

Interest on the 3.65% Senior notes Series C is payable on the 2nd day of each May and November, while the interest on the 3.72% Senior notes Series D is payable on the 28th day of each April and October. Principal on the Senior notes Series C and Series D is payable in various installments beginning May 2, 2025 (Series C) and October 28, 2025 (Series D) through October 2031. We may prepay the 3.65% and 3.72% Senior notes in whole or in part at any time in an amount of not less than

$2,000 at a redemption price calculated in accordance with the Note Agreement dated May 2, 2016, between the Company and the purchasers of the Senior notes Series C and Series D.

Interest on the 3.51% Senior notes Series E is payable on the 13th day of each June and December, while the interest on the 3.77% Senior notes Series F is payable on the 22nd day of each February and August. Principal on the Senior notes Series E and Series F is payable in full on June 13, 2025 (Series E) and August 22, 2028 (Series F), respectively. We may prepay the 3.51% and 3.77% Senior notes in whole or in part at any time in an amount of not less than $2,000 at a redemption price calculated in accordance with the Note Agreement dated June 13, 2017, between the Company and the purchasers of the Senior notes Series E and Series F.

To date, we have funded capital expenditures primarily through funds generated from operations, the proceeds of the sale of common stock, issuance of debt, and existing cash. Future capital required to finance operations, improvements, and the anticipated growth in the number of stores is expected to come from cash generated by operations, the bank line of credit, and additional long-term debt or other securities as circumstances may dictate. We do not expect such capital needs to adversely affect liquidity.

The table below presents our significant contractual obligations, including interest, at April 30, 2019:

Contractual obligations	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Senior notes	$ 1,490,037	$ 68,468	$ 628,654	$ 101,350	$ 691,565
Capital lease obligations	24,169	3,103	6,205	5,646	9,215
Operating lease obligations	17,336	1,703	2,901	2,294	10,438
Unrecognized tax benefits	7,287	—	—	—	—
Deferred compensation	16,471	—	—	—	—
Total	$ 1,555,300	$ 73,274	$ 637,760	$ 109,290	$ 711,218

Unrecognized tax benefits relate to uncertain tax positions and since we are not able to reasonably estimate the timing of the payments or the amount by which the liability will increase or decrease over time, the related balances have not been reflected in the above “Payments due by period” table.

At April 30, 2019, the Company had a total of $7,287 in gross unrecognized tax benefits. Of this amount, $5,780 represents the amount of unrecognized tax benefits that, if recognized, would impact our effective tax rate. The total amount of accrued interest and penalties for such unrecognized tax benefits was $242 as of April 30, 2019. Interest and penalties related to income taxes are classified as income tax expense in our consolidated financial statements. The federal statute of limitations remains open for the tax years 2012 and forward. Tax years 2012 and forward are subject to audit by state tax authorities depending on open statute of limitations waivers and the tax code of each state.

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 IRS is currently examining tax year 2012. The Company has no other ongoing federal or state income tax examinations. At this time, management believes it is reasonably possible the aggregate amount of unrecognized tax benefits will decrease by $1,100 within the next 12 months. This expected decrease is due to the expiration of statute of limitations related to certain federal and state income tax filing positions.

Included in long-term liabilities on our consolidated balance sheet at April 30, 2019, was a $15,881 obligation for deferred compensation. As the specific payment dates for the deferred compensation are unknown due to the unknown retirement dates of many of the participants, the related balances have not been reflected in the above “Payments due by period” table. However, known payments of $4,901 will be due during the next 5 years.

At April 30, 2019, we were partially self-insured for workers’ compensation claims in all 16 states of our marketing territory; we also were partially self-insured for general liability and auto liability under an agreement that provides for annual stop-loss limits equal to or exceeding approximately $1,000. To facilitate this agreement, letters of credit approximating $21,526 and $21,118, respectively, were issued and outstanding at April 30, 2019 and 2018, on the insurance company’s behalf. We renew the letters of credit on an annual basis.

Forward-looking Statements

This Form 10-K contains various “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 as amended and Section 21E of the Securities Exchange Act of 1934 as amended. Forward-looking statements represent our expectations or beliefs concerning future events, including (i) any statements regarding future sales and gross profit percentages, (ii) any statements regarding the continuation of historical trends, and (iii) any statements regarding the sufficiency of the Company’s cash balances and cash generated from operations and financing activities for the Company’s future liquidity and capital resource needs. The words *believe, expect, anticipate, intend, estimate, project* and similar expressions are intended to identify forward-looking statements. We caution you 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 limitations the factors described in this Form 10-K.

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

In addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements, factors that could cause the Company’s actual results to differ materially from those contemplated in any forward-looking statements include, among others, the following:

Competition

Our business is highly competitive and marked by ease of entry and constant change in terms of the numbers and types of retailers offering the products and services found in stores. Many of the food (including prepared foods) and nonfood items similar or identical to those we sell are generally available from a variety of competitors in the communities served by our stores, and we compete with other convenience store chains, gasoline stations, supermarkets, drug stores, discount stores, club stores, mass merchants, and quick serve restaurants (with respect to the sale of prepared foods). Sales of nonfuel items (particularly prepared food items) have contributed substantially to our gross profit on retail sales in recent years. Fuel sales are also intensely competitive. We compete for fuel sales with both independent and national brand gasoline stations, other convenience store chains, and several nontraditional fuel retailers such as supermarkets in specific markets. Some of these other fuel retailers may have access to more favorable arrangements for fuel supply than we do or the firms that supply our stores. Some of our competitors have greater financial, marketing, and other resources than we have and therefore may be able to respond better to changes in the economy and new opportunities within the industry.

Fuel Operations

Fuel sales are an important part of our revenue and earnings, and retail fuel profit margins have a substantial impact on our net income. Profit margins on fuel sales can be adversely affected by factors beyond our control, including the supply of fuel available in the retail fuel market, uncertainty or volatility in the wholesale fuel market, increases in wholesale fuel costs generally during a period, and price competition from other fuel marketers. The market for crude oil and domestic wholesale petroleum products is marked by significant volatility and is affected by general political conditions and instability in oil producing regions such as the Middle East and South America. The volatility of the wholesale fuel market makes it extremely difficult to predict the impact of future wholesale cost fluctuation on our operating results and financial conditions. These factors could materially affect our fuel gallon volume, fuel gross profit, and overall customer traffic levels at stores. Any substantial decrease in profit margins on fuel sales or in the number of gallons sold by stores could have a material adverse effect on our earnings.

Fuel is purchased from a variety of independent national and regional petroleum distributors at current daily prices at the rack in which the fuel is loaded onto tanker trucks. While annual purchase agreements exist with a few distributors, those agreements primarily specify purchasing volumes that must be maintained to be eligible for certain discounts. We typically sell the fuel before the vendor is paid as a result of our short fuel inventory turnover rate. Any substantial change in the payment terms required by fuel vendors could impact the amount of cash and working capital we would need to conduct operations.

Although in recent years suppliers have not experienced any difficulties in obtaining sufficient amounts of fuel to meet our needs, unanticipated national and international events could result in a reduction of fuel supplies available for distribution. Any substantial curtailment in our fuel supply could reduce fuel sales. Further, we believe a significant amount of our business results from the patronage of customers primarily desiring to purchase fuel; accordingly, reduced fuel supplies could adversely affect the sale of nonfuel items. Such factors could have a material adverse effect on our earnings and operations.

Tobacco and Nicotine Products

Sales of tobacco and nicotine products represent a significant portion of our revenues. Significant increases in wholesale cigarette costs and tax increases on tobacco and nicotine products as well as national and local campaigns to further regulate and discourage smoking in the United States have had and are expected to continue having an adverse effect on the demand for tobacco and nicotine products sold in our stores. We attempt to pass price increases on to our customers, but competitive pressures in specific markets may prevent us from doing so. These factors could materially impact the retail price of tobacco and nicotine products, the gross profit obtained from the tobacco category, the volume of cigarettes and other tobacco and nicotine products sold by stores, and overall customer traffic, and have a material adverse effect on the Company's earnings and profits.

Environmental Compliance Costs

The United States Environmental Protection Agency and several of the states in which we do business have adopted laws and regulations relating to underground storage tanks used for petroleum products. In the past, we have incurred substantial costs to comply with such regulations, and additional substantial costs may be necessary in the future. Several states in which we do business have trust fund programs with provisions for sharing or reimbursing corrective action or remediation costs. Any reimbursements received in respect to such costs typically are subject to statutory provisions requiring repayment of the reimbursed funds for any future noncompliance with upgrade provisions or other applicable laws. Although we regularly accrue expenses for the estimated costs related to future corrective action or remediation efforts, there can be no assurance that the accrued amounts will be sufficient to pay such costs or that we have identified all environmental liabilities at all of our current store locations. In addition, there can be no assurance that we will not incur substantial expenditures in the future for remediation of contamination or related claims that have not been discovered or asserted, with respect to existing store locations or locations that we may acquire in the future, that we will not be subject to any claims for reimbursement of funds disbursed to us under the various state programs, and/or that additional regulations or amendments to existing regulations will not require additional expenditures beyond those presently anticipated.

Seasonality of Sales

Company sales generally are strongest during its first two fiscal quarters (May–October) relative to the third and fourth fiscal quarters (November–April). In the warmer months, customers tend to purchase greater quantities of fuel and certain convenience items such as beer, pop, and ice. Difficult weather conditions (such as flooding, prolonged rain or periods of unseasonably cold weather, or snowstorms) in any quarter, however, may adversely reduce sales at affected stores and may have an adverse impact on our earnings for that period.

Other Factors

Other factors and risks that may cause actual results to differ materially from those in the forward-looking statements include the risk that our cash balances and cash generated from operations and financing activities will not be sufficient for our future liquidity and capital resource needs, tax increases, potential liabilities and expenditures related to compliance with environmental and other laws and regulations, the seasonality of demand patterns, and weather conditions; the increased indebtedness that the Company has incurred to purchase shares of our common stock in our self-tender offer; and the other risks and uncertainties included from time to time in our filings with the SEC. 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.

Please see Item 1A of this Form 10-K, entitled "Risk Factors," for further information on these and other factors that may affect our business and financial results.

ITEM 7A. 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 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 reduce the risk of principal loss. Consequently, we seek to preserve our invested funds by attempting to limit 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. We believe an immediate 100-basis-point move in interest rates affecting our floating and fixed rate financial instruments as of April 30, 2019, would have no material effect on pretax earnings.

We do from time to time, participate in a forward buy of certain commodities, primarily cheese and coffee. These are not accounted for as derivatives under the normal purchase and normal sale exclusions under the applicable guidance.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Shareholders and Board of Directors
Casey's General Stores, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Casey's General Stores, Inc. and subsidiaries (the Company) as of April 30, 2019 and 2018, the related consolidated statements of income, shareholders' equity, and cash flows for each of the years in the three-year period ended April 30, 2019, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of April 30, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the three-year period ended April 30, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of April 30, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated June 28, 2019 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 1987.

Des Moines, Iowa

June 28, 2019

Report of Independent Registered Public Accounting Firm

The Shareholders and Board of Directors
Casey's General Stores, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Casey's General Stores, Inc. and subsidiaries' (the Company) internal control over financial reporting as of April 30, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of April 30, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of April 30, 2019 and 2018, the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended April 30, 2019, and the related notes (collectively, the consolidated financial statements), and our report dated June 28, 2019 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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 principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Des Moines, Iowa

June 28, 2019

CASEY'S GENERAL STORES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (In thousands, except share data)

	April 30, 2019	April 30, 2018
Assets		
Current assets		
Cash and cash equivalents	**$ 63,296**	$ 53,679
Receivables	**37,856**	45,045
Inventories	**273,040**	241,668
Prepaid expenses	**7,493**	5,766
Income taxes receivable	**28,895**	50,682
Total current assets	**410,580**	396,840
Property and equipment, at cost		
Land	**792,601**	729,965
Buildings and leasehold improvements	**1,770,695**	1,620,218
Machinery and equipment	**2,224,330**	2,093,878
Leasehold interest in property and equipment	**25,323**	13,690
Construction in process	**124,613**	56,346
	4,937,562	4,514,097
Less accumulated depreciation and amortization	**1,826,936**	1,611,177
Net property and equipment	**3,110,626**	2,902,920
Other assets, net of amortization	**52,947**	29,909
Goodwill	**157,223**	140,258
Total assets	**$ 3,731,376**	$ 3,469,927
Liabilities and Shareholders' Equity		
Current liabilities		
Lines of credit	**$ 75,000**	$ 39,600
Current maturities of long-term debt	**17,205**	15,374
Accounts payable	**335,240**	321,419
Accrued expenses		
Wages and related taxes	**39,950**	27,704
Property taxes	**32,931**	29,117
Insurance accruals	**21,671**	20,029
Other	**68,935**	54,607
Total current liabilities	**590,932**	507,850
Long-term debt, net of current maturities	**1,283,275**	1,291,725
Deferred income taxes	**385,788**	341,946
Deferred compensation	**15,881**	15,928
Insurance accruals, net of current portion	**22,663**	19,748
Other long-term liabilities	**24,068**	21,589
Total liabilities	**2,322,607**	2,198,786
Commitments and contingencies		
Shareholders' equity		
Preferred stock, no par value, none issued	**—**	—
Common stock, no par value, 36,664,521 and 36,874,322 shares issued and outstanding at April 30, 2019 and 2018, respectively	**15,600**	—
Retained earnings	**1,393,169**	1,271,141
Total shareholders' equity	**1,408,769**	1,271,141
Total liabilities and shareholders' equity	**$ 3,731,376**	$ 3,469,927

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)

	Years ended April 30, 2019	2018	2017
Total revenue	**$ 9,352,910**	$ 8,391,124	$ 7,506,587
Cost of goods sold (exclusive of depreciation and amortization, shown separately below) (a)	**7,398,186**	6,621,731	5,825,426
Operating expenses	**1,391,279**	1,283,046	1,172,328
Depreciation and amortization	**244,387**	220,970	197,629
Interest, net	**55,656**	50,940	41,536
Income before income taxes	**263,402**	214,437	269,668
Federal and state income taxes	**59,516**	(103,466)	92,183
Net income	**$ 203,886**	$ 317,903	$ 177,485
Net income per common share			
Basic	**$ 5.55**	$ 8.41	$ 4.54
Diluted	**$ 5.51**	$ 8.34	$ 4.48
Dividends declared per share	**$ 1.16**	$ 1.04	$ 0.96
(a) Includes excise taxes of approximately:	**$ 988,000**	$ 919,000	$ 866,000

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except per share and share amounts)

	Shares Outstanding	Common stock	Retained earnings	Shareholders' Equity
Balance at April 30, 2016	39,055,570	$ 72,868	$1,010,595	$ 1,083,463
Net income	—	—	177,485	177,485
Dividends declared ($0.96 per share)	—	—	(37,534)	(37,534)
Exercise of stock options	69,150	2,357	—	2,357
Issuance of common stock	28,138	3,526		3,526
Repurchase of common stock	(443,800)	(49,374)	—	(49,374)
Stock-based compensation	56,763	10,697	—	10,697
Balance at April 30, 2017	38,765,821	$ 40,074	$1,150,546	$ 1,190,620
Net income	—	—	317,903	317,903
Dividends declared ($1.04 per share)	—	—	(39,060)	(39,060)
Exercise of stock options	40,377	1,377	—	1,377
Repurchase of common stock	(1,997,800)	(57,186)	(158,248)	(215,434)
Stock-based compensation	65,924	15,735	—	15,735
Balance at April 30, 2018	36,874,322	$ —	$1,271,141	$ 1,271,141
Implementation of ASU 2014-09	—	—	(4,140)	(4,140)
Net income	—	—	203,886	203,886
Dividends declared ($1.16 per share)	—	—	(42,471)	(42,471)
Exercise of stock options	71,546	2,290	—	2,290
Repurchase of common stock	(352,592)	—	(35,247)	(35,247)
Stock-based compensation	71,245	13,310	—	13,310
Balance at April 30, 2019	**36,664,521**	**$ 15,600**	**$1,393,169**	**$ 1,408,769**

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years ended April 30,		
	2019	2018	2017
Cash flows from operating activities			
Net income	**$ 203,886**	$ 317,903	$ 177,485
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**244,387**	220,970	197,629
Stock-based compensation	**16,410**	18,800	10,697
Loss on disposal of assets and impairment charges	**1,384**	2,281	2,298
Deferred income taxes	**45,337**	(98,178)	45,190
Changes in assets and liabilities:			
Receivables	**7,189**	(1,801)	(15,543)
Inventories	**(29,648)**	(38,406)	4,400
Prepaid expenses	**(1,727)**	3,413	(6,171)
Accounts payable	**12,451**	14,751	40,332
Accrued expenses	**30,927**	15,967	14,780
Income taxes	**22,545**	(30,053)	(6,226)
Other, net	**(22,527)**	(5,850)	(5,598)
Net cash provided by operating activities	**530,614**	419,797	459,273
Cash flows from investing activities			
Purchase of property and equipment	**(394,699)**	(577,421)	(433,392)
Payments for acquisitions of businesses, net of cash acquired	**(68,200)**	(37,160)	(25,473)
Proceeds from sales of property and equipment	**5,069**	5,246	4,140
Net cash used in investing activities	**(457,830)**	(609,335)	(454,725)
Cash flows from financing activities			
Proceeds from long-term debt	**—**	400,000	100,000
Repayments of long-term debt	**(16,000)**	(15,688)	(15,399)
Net borrowings of short-term debt	**35,400**	38,700	900
Proceeds from exercise of stock options	**2,290**	1,377	2,357
Payments of cash dividends	**(41,430)**	(38,780)	(36,758)
Repurchase of common stock	**(37,479)**	(214,683)	(47,893)
Tax withholdings on employee share-based awards	**(5,948)**	(4,426)	(6,813)
Net cash (used in) provided by financing activities	**(63,167)**	166,500	(3,606)
Net increase (decrease) in cash and cash equivalents	**9,617**	(23,038)	942
Cash and cash equivalents at beginning of year	**53,679**	76,717	75,775
Cash and cash equivalents at end of year	**$ 63,296**	$ 53,679	$ 76,717
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION			
Cash paid during the year for interest, net of amount capitalized	**$ 56,306**	$ 48,757	$ 41,268
Cash (received) paid for income taxes, net	**(11,433)**	24,274	52,961
Noncash investing and financing activities			
Purchased property and equipment in accounts payable	**15,616**	12,014	10,883
Shares repurchased in accounts payable	**—**	2,232	1,481

See accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except share and per share amounts)

1. SIGNIFICANT ACCOUNTING POLICIES

Operations Casey's General Stores, Inc. and its subsidiaries (the Company/Casey's) operate 2,146 convenience stores in 16 Midwest states. The stores are located primarily in smaller communities, many with populations of less than 5,000. Retail sales in 2019 by category are as follows: 63% fuel, 26% grocery & other merchandise, and 11% prepared food & fountain. The Company's products are readily available, and the Company is generally not dependent on a single supplier or only a few suppliers.

Principles of consolidation The consolidated financial statements include the financial statements of Casey's General Stores, Inc. and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of estimates The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash equivalents We consider all highly liquid investments with a maturity at purchase of three months or less to be cash equivalents. Included in cash equivalents are money market funds and credit card, debit card and electronic benefits transfer transactions that process within three days.

Inventories Inventories, which consist of merchandise and fuel, are stated at the lower of cost or market. For fuel, cost is determined through the use of the first-in, first-out (FIFO) method. For merchandise inventories, cost is determined through the use of the last-in, first-out (LIFO) method.

The excess of replacement cost over the stated LIFO value was $80,814 and $73,494 at April 30, 2019 and 2018, respectively. There were no material LIFO liquidations during the periods presented. Below is a summary of the inventory values at April 30, 2019 and 2018:

	Years ended April 30,	
	2019	2018
Fuel	**$ 83,204**	$ 75,817
Merchandise	**189,836**	165,851
Total inventory	**$ 273,040**	$ 241,668

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. Vendor rebates in the form of rack display allowances (RDAs) are funds that we receive from various vendors for allocating certain shelf space to carry their specific products or to introduce new products in our stores for a particular period of time. The RDAs are treated as a reduction in cost of goods sold and are recognized ratably over the period covered by the applicable rebate agreement. These funds do not represent reimbursements of specific, incremental, or identifiable costs incurred by us in selling the vendor's products. Vendor rebates in the form of billbacks are treated as a reduction in cost of goods sold and are recognized at the time the rebate is earned per the contract. Reimbursements of an operating expense (e.g., advertising) are recorded as reductions of the related expense.

The Company adopted ASU 2014-09 in the quarter ended July 31, 2018. As a result, revenue from sales of pizza that include a redeemable box top coupon are deferred until redemption for the portion of the sale that represents the estimated future redemption of the box top coupon. Gift card revenue is now recognized based on the estimated gift card breakage rate over the pro-rata usage of the card.

Renewable Identification Numbers (RINs) are recorded as a reduction in cost of goods sold in the period when the Company commits to a price and agrees to sell all of the RINs earned during a specified period. The Company includes in cost of goods sold the costs incurred to acquire fuel and merchandise, including excise taxes, less vendor allowances and rebates and RINs. The Company does not record an asset on the balance sheet related to RINs that have not been validated and contracted. Warehousing costs are recorded within operating expenses on the income statement.

Capitalized Software Implementation Costs The Company capitalizes expenditures relates to the implementation of software as incurred. These costs are expensed on a straight-line basis within operating expenses over the contractual life of the contract with the related software provider. The outstanding balance in the individual software arrangements is carried in Other Assets on the balance sheet.

Goodwill Goodwill and intangible assets with indefinite lives are tested for impairment at least annually. The Company assesses impairment annually at year-end using a market based approach to establish fair value. All of the goodwill assigned to the individual stores is aggregated into a single reporting unit due to the similar economic characteristics of the stores. As of April 30, 2019 and 2018, there was $157,223 and $140,258 of goodwill, respectively. Management's analysis of recoverability completed as of the fiscal year-end indicated no evidence of impairment for the years ended April 30, 2019, 2018, and 2017.

Depreciation and amortization Depreciation of property and equipment and amortization of capital lease assets are computed principally by the straight-line method over the following estimated useful lives:

Buildings	25-40 years
Machinery and equipment	5-30 years
Leasehold interest in property and equipment	Lesser of term of lease or life of asset
Leasehold improvements	Lesser of term of lease or life of asset

The Company monitors stores and will accelerate depreciation if the expected life of the asset is reduced due to the expected remaining operation of the store or the Company's plans. Construction in process is reported at cost and not subject to depreciation until placed in service.

Store closings and asset impairment The Company writes down property and equipment of stores it is closing to estimated net realizable value at the time management commits to a plan to close such stores and begins active marketing of the stores. The Company bases the estimated net realizable value of property and equipment on its experience in utilizing and/or disposing of similar assets and on estimates provided by its own and/or third-party real estate experts.

The Company monitors closed and underperforming stores for an indication that the carrying amount of assets may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, an impairment loss is recognized to the extent carrying value of the assets exceeds their estimated fair value. Fair value is based on management's estimate of the price that would be received to sell an asset in an orderly transaction between market participants. The estimate is derived from offers, actual sale or disposition of assets subsequent to year-end, and other indications of fair value, which are considered Level 3 inputs (See Note 3). In determining whether an asset is impaired, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets, which for the Company is generally on a store-by-store basis. The Company incurred impairment charges of $1,167 in fiscal 2019, $507 in fiscal 2018, and $705 in fiscal 2017. Impairment charges are a component of operating expenses.

Excise taxes Excise taxes approximating $988,000, $919,000, and $866,000 on retail fuel sales are included in total revenue and cost of goods sold for fiscal 2019, 2018, and 2017, respectively.

Income taxes The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company calculates its current and deferred tax provision based on estimates and assumptions that could differ from actual results reflected in income tax returns filed in subsequent years. Adjustments based on filed returns are recorded when identified.

Revenue recognition The Company recognizes retail sales of fuel, grocery & other merchandise, prepared food & fountain, and commissions on lottery, prepaid phone cards, and video rentals at the time of the sale to the customer. Sales taxes collected from customers and remitted to the government are recorded on a net basis in the consolidated financial statements.

Net income per common share Basic earnings per share have been computed by dividing net income by the weighted average shares outstanding during each of the years. Unvested shares under equity awards are treated as common shares within the basic earnings per share calculation when an employee has met certain requirements in the award agreement. For example, if retirement provisions are satisfied which allow an employee to avoid forfeiture of the award upon a normal retirement from the Company, it is included in the basic earnings per share calculation. The calculation of diluted earnings per share treats stock options as potential common shares to the extent they are dilutive. The diluted earnings per share calculation does not take into effect any shares that have not met performance or market conditions as of the reporting period.

Asset retirement obligations The Company recognizes the estimated future cost to remove underground storage tanks over the estimated useful life of the storage tank. The Company records a discounted liability for the fair value of an asset retirement obligation with a corresponding increase to the carrying value of the related long-lived asset at the time an underground storage tank is installed. The Company amortizes the amount added to other assets and recognizes accretion expense in connection with the discounted liability over the remaining life of the tank. The estimates of the anticipated future costs for removal of an underground storage tank are based on our prior experience with removal. Because these estimates are subjective and are currently based on historical costs with adjustments for estimated future changes in the associated costs, we expect the dollar amount of these obligations to change as more information is obtained.

There were no material changes in our asset retirement obligation estimates during fiscal 2019. The recorded asset for asset retirement obligations was $11,793 and $11,280 at April 30, 2019 and 2018, respectively, and is recorded in other assets, net of amortization. The discounted liability was $18,058 and $17,087 at April 30, 2019 and 2018, respectively, and is recorded in other long-term liabilities.

Self-insurance The Company is primarily self-insured for employee healthcare, workers' compensation, general liability, and automobile claims. The self-insurance claim liability for workers' compensation, general liability, and automobile claims is determined actuarially at each year end based on claims filed and an estimate of claims incurred but not yet reported. Actuarial projections of the losses are employed due to the potential of variability in the liability estimates. Some factors affecting the uncertainty of claims include the development time frame, settlement patterns, litigation and adjudication direction, and medical treatment and cost trends. The liability is not discounted. The balance of our self-insurance reserves was $44,334 and $39,777 for the years ended April 30, 2019 and 2018, respectively.

Environmental remediation liabilities The Company accrues for environmental remediation liabilities when it is probable a liability has been incurred and the amount of loss can be reasonably estimated.

Derivative instruments There were no options or futures contracts as of or during the years ended April 30, 2019, 2018, or 2017. However, we do from time to time, participate in a forward buy of certain commodities, primarily cheese and coffee. These are not accounted for as derivatives under the normal purchase and normal sale exclusions within the applicable guidance.

Stock-based compensation Stock-based compensation is recorded based upon the fair value of the award on the grant date. The cost of the award is recognized ratably in the statement of income over the vesting period of the award, adjusted for certain retirement provisions. Additionally, certain awards include performance and market conditions. The performance-based awards are based on the achievement of a three year average return on invested capital (ROIC). For these awards, stock-based compensation expense is estimated based on the probable outcome of shares to be awarded adjusted as necessary at each reporting period. The market-based awards are achieved based on our relative performance to a pre-determined peer group. The fair value of these awards is determined using a Monte Carlo simulation as of the date of the grant. For market-based awards, the stock-based compensation expense will not be adjusted should the target awards vary from actual awards.

Segment reporting As of April 30, 2019, we operated 2,146 stores in 16 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 customers. 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 customers. We make specific disclosures concerning the three broad merchandise categories of fuel, grocery & other merchandise, and prepared food & fountain because it makes it easier for us to discuss trends and operational initiatives within our business and industry. Although we can separate revenues 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.

Recent accounting pronouncements

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606).* We adopted the standard on May 1, 2018 using the modified retrospective approach. The Company adopted two changes that affect the timing of recognition of revenues related to gift card breakage income and the redemption of coupon box tops attached to our pizza boxes. The impact related to gift cards was $879, net of $321 of deferred taxes and was an increase to shareholders' equity with a reduction in deferred income. The impact related to box tops was $5,019, net of $1,816 of deferred taxes and was a reduction in shareholders' equity, with an increase in deferred income.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842).* This update seeks to increase the transparency and comparability among entities by requiring public entities to recognize lease assets and lease liabilities on the balance sheet and disclose key information about leasing arrangements. To satisfy the standard's objective, a lessee will recognize a right-of-use asset representing its right to use the underlying asset for the lease term and a lease liability for the obligation to make lease payments. Both the right-of-use asset and lease liability will initially be measured at the present value of the lease payments, with subsequent measurement dependent on the classification of the lease as either a finance or an operating lease. For leases with a term of twelve months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term.

In July 2018, the FASB issued ASU 2018-10, *Leases (Topic 842) - Codification Improvements* which contains several FASB Codification improvements for ASC Topic 842, including several implementation issues and ASU 2018-11, "Leases (Topic 842) - Targeted Improvements" which provides entities with an additional transition method for implementing ASC Topic 842. Entities have the option to apply the new standard at the adoption date, recognizing a cumulative-effect adjustment to the opening balance of retained earnings along with the modified retrospective approach previously identified, both of which include a number of practical expedients that companies may elect to apply. Under the cumulative-effect adjustment comparative periods would not be restated. Under the modified retrospective approach leases are recognized and measured under the noted guidance at the beginning of the earliest period presented. The new standard is effective for public companies for annual periods beginning after December 15, 2018, and interim periods within those years, with early adoption permitted. We will adopt this guidance as of May 1, 2019 using the modified retrospective approach and elect the cumulative-effect adjustment practical expedient. As a result of the transition method selected, the Company will not restate previously reported comparable periods. The effect of the adoption will not be material to our financial statements.

In October 2016, the FASB issued ASU No. 2016-16, *Intra-Entity Transfers of Assets Other than Inventory*. We adopted the standard in the quarter ended July 31, 2018. There was no material impact to the Company for the adoption of this standard.

In January 2017, the FASB issued ASU 2017-01, *Business Combinations, Clarifying the Definition of a Business*. The standard clarifies the definition of a business and adds guidance to assist entities in the determination of whether an acquisition (or disposal) represents assets or a business. The guidance requires the Company to utilize various criteria to evaluate whether or not an acquisition is a business. First, if substantially all of the fair value of the assets acquired is concentrated in a single asset or a group of similar identifiable assets, the acquired assets do not represent a business. If that is not the case, the update provides further guidance to evaluate if the acquisition represents a business focused on the nature and substance of the inputs and process acquired. The standard is generally expected to reduce the number of business combinations, which may impact the allocation of purchase consideration in future acquisitions. Where it is determined that an acquisition is not a business combination, there would be no resulting goodwill recorded. The Company prospectively adopted this guidance for all future acquisitions in the first quarter of fiscal 2019.

In August 2018, the FASB issued ASU 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract.* This standard provides guidance on accounting for costs of implementation activities performed in a cloud computing arrangement that is a service contract. The amendments in the update align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software and hosting arrangements that include an internal-use software license. The Company early adopted this guidance retrospectively, in the first quarter of fiscal 2019. The adoption did not have a material impact on our consolidated financial statements.

2. ACQUISITIONS

During the year ended April 30, 2019, the Company acquired 24 stores through a variety of multi-store and single store transactions with several unrelated third parties. Of the 24 stores acquired, 22 were re-opened as a Casey's store during the

2019 fiscal year, and two will be opened during the 2020 fiscal year. The majority of the acquisitions meet the criteria to be considered business combinations. The stores were valued using a discounted cash flow model on a location by location basis. The acquisitions were recorded in the financial statements by allocating the purchase price to the assets acquired, including intangible assets and liabilities assumed, based on their estimated fair values at the acquisition date. The excess of the cost of the acquisition over the net amounts assigned to the fair value of the assets acquired and the liabilities assumed is recorded as goodwill if the acquisition is considered to be a business combination. All of the goodwill associated with these transactions will be deductible for income tax purposes over 15 years.

Allocation of the purchase price for the transactions in aggregate for the year ended April 30, 2019 is as follows (in thousands):

Assets acquired:		
Inventories	$	1,724
Property and equipment		49,698
Total assets		51,422
Liabilities assumed:		
Accrued expenses		187
Total liabilities		187
Net tangible assets acquired		51,235
Goodwill		16,965
Total consideration paid	$	68,200

The following unaudited pro forma information presents a summary of our consolidated results of operations as if the transactions referenced above occurred at the beginning of the first fiscal year of the periods presented (amounts in thousands, except per share data):

	Years Ended April 30,			
	2019		2018	
Total revenue	**$**	**9,474,560**	$	8,573,783
Net income	**$**	**209,468**	$	325,107
Net income per common share				
Basic	**$**	**5.71**	$	8.61
Diluted	**$**	**5.67**	$	8.53

3. FAIR VALUE OF FINANCIAL INSTRUMENTS AND LONG-TERM DEBT

A summary of the fair value of the Company’s financial instruments follows.

Cash and cash equivalents, receivables, and accounts payable The carrying amount approximates fair value due to the short maturity of these instruments or the recent purchase of the instruments at current rates of interest.

Long-term debt The fair value of the Company’s long-term debt and capital lease obligations is estimated based on the current rates offered to the Company for debt of the same or similar issues. The fair value of the Company’s long-term debt and capital lease obligations was approximately $1,272,000 and $1,277,000, respectively, at April 30, 2019 and 2018.

The carrying amount of the Company’s long-term debt and capital lease obligations by issuance is as follows:

	As of April 30,	
	2019	2018
Capitalized lease obligations discounted at 3.70% to 6.00% due in various monthly installments through 2048 (Note 7)	**$ 16,480**	$ 8,099
5.72% Senior notes due in 14 installments beginning September 30, 2012 and ending March 30, 2020	**15,000**	30,000
5.22% Senior notes due August 9, 2020	**569,000**	569,000
3.67% Senior notes (Series A) due in 7 installments beginning June 17, 2022, and ending June 15, 2028	**150,000**	150,000
3.75% Senior notes (Series B) due in 7 installments beginning December 17, 2022 and ending December 18, 2028	**50,000**	50,000
3.65% Senior notes (Series C) due in 7 installments beginning May 2, 2025 and ending May 2, 2031	**50,000**	50,000
3.72% Senior notes (Series D) due in 7 installments beginning October 28, 2025 and ending October 28, 2031	**50,000**	50,000
3.51% Senior notes (Series E) due June 13, 2025	**150,000**	150,000
3.77% Senior notes (Series F) due August 22, 2028	**250,000**	250,000
	1,300,480	1,307,099
Less current maturities	**17,205**	15,374
	$ 1,283,275	$ 1,291,725

In January 2019, the Company entered into the Credit Facility which provides for a $300 million unsecured revolving line of credit, a $30 million sublimit for letters of credit and a $30 million sublimit for swingline loans. The maturity date is January 11, 2024. Amounts borrowed under the Credit Facility bear interest at variable rates based upon, at the Company's option, either (a) LIBOR plus an applicable margin or (b) an alternate base rate. The Credit Facility also carries a facility fee between 0.2% and 0.4% per annum based on the Company's consolidated leverage ratio as defined in the credit agreement. The Company has $75,000 outstanding under the new line of credit at April 30, 2019.

Concurrently with this new credit agreement, the Company also reduced the Bank Line from $150,000 to $25,000. 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 (the "Index"). The interest rate to be applied to the unpaid principal balance of the Bank Line was at a rate of 1.0% over the Index. There was $0 outstanding at April 30, 2019 and $39,600 outstanding at April 30, 2018. The line of credit is due upon demand.

Interest expense is net of interest income of $595, $1,583, and $588 for the years ended April 30, 2019, 2018, and 2017, respectively. Interest expense is also net of interest capitalized of $3,057, $2,260, and $1,470 during the years ended April 30, 2019, 2018, and 2017, respectively.

The agreements relating to the above long-term debt contain certain operating and financial covenants. At April 30, 2019, the Company was in compliance with all such operating and financial covenants. Listed below are the aggregate maturities of long-term debt, including capitalized lease obligations, for the 5 years commencing May 1, 2019 and thereafter:

Years ended April 30,	**Capital Leases**	**Senior Notes**	**Total**
2020	$ 2,205	$ 15,000	$ 17,205
2021	2,320	569,000	571,320
2022	2,395	—	2,395
2023	2,538	20,000	22,538
2024	2,085	32,000	34,085
Thereafter	4,937	648,000	652,937
	$ 16,480	$ 1,284,000	$ 1,300,480

4. PREFERRED AND COMMON STOCK

Preferred stock The Company has 1,000,000 authorized shares of preferred stock, of which 250,000 shares have been designated as Series A Serial Preferred Stock. No shares have been issued.

Common stock The Company currently has 120,000,000 authorized shares of common stock.

Stock incentive plans The 2018 Stock Incentive Plan (the "2018 Plan"), was approved by the Board in June 2018 and approved by the Company's shareholders on September 5, 2018 ("the "2018 Plan Effective Date"). The 2018 Plan replaced the 2009 Stock Incentive Plan (the "2009 Plan") under which no new awards are allowed to be granted as of the 2018 Plan Effective Date. The 2009 Plan previously replaced and superseded the 2000 Stock Option Plan and the Non-Employees Directors' Stock Option Plan (collectively with the 2009 Plan, the "Prior Plans").

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. There were 2,984,032 shares available for grant at April 30, 2019 under the 2018 Plan.

We account for stock-based compensation by estimating the fair value of stock options using the Black Scholes model, and value time-based and performance-based restricted stock unit awards granted under the 2018 Plan and the Prior Plans using the closing price of our common stock on the date of grant. For market based awards we use a "Monte Carlo" approach to estimate the value of the awards, which simulates the prices of the Company's and each member of the performance peer groups' common stock price at the end of the relevant performance period, taking into account volatility and the specifics surrounding each total shareholder return metric under the relevant plan. We recognize these amounts as an operating expense in our 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 performance based awards. All awards have been granted at no cost to the grantee and/or non-employee member of the Board.

The following table summarizes the equity-related grants made during the three-year period ended April 30, 2019:

Date of Grant	Type of Grant	Shares Granted	Recipients	Vesting Date	Fair Value at Grant Date
June 3, 2016	Restricted Stock Units	111,150	Officers & Key employees	June 3, 2019	$13,849
June 3, 2016	Restricted Stock	40,996	Officers & Key Employees	Immediate (Annual Performance Goal)	$5,108
September 16, 2016	Restricted Stock	8,941	Non-Employee Board Members	Immediate	$1,064
June 1, 2017	Restricted Stock Units	63,699	Key Employees	June 1, 2020	$7,388
July 14, 2017	Restricted Stock Units***	61,126	Officers	June 15, 2020	$6,912
September 28, 2017	Restricted Stock	8,344	Non-Employee Board Members	Immediate	$920
March 29, 2018	Restricted Stock	2,150	Non-Employee Board Members	September 21, 2018	$236
May 24, 2018	Restricted Stock Units	88,846	Key Employees	May 24, 2021	$8,593
June 8, 2018	Restricted Stock Units***	75,402	Officers	June 8, 2021	$7,571
September 5, 2018	Restricted Stock Units	7,984	Non-Employee Board Members	2019 Annual Shareholders' Meeting Date	$920

**** This grant of restricted stock units includes time-based, performance-based and market-based awards. The performance-*

based awards included in the figure above 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 the "target". The market-based awards incorporate market conditions in determining fair value as of the grant date, and will also range from 0% to 200% of the "target". Total market-based expense of approximately $2.6 million for the 2017 grant and $2.8 million for the 2018 grant will be recognized on a straight-line basis over the vesting period, subject to acceleration for retirement provisions.

At April 30, 2019, stock options for 109,827 shares (which expire in fiscal year 2022) were outstanding. All stock option shares issued are previously unissued authorized shares. Information concerning the issuance of stock options under the Prior Plans is presented in the following table (no stock option awards have been granted under the 2018 Plan):

	Number of option shares	Weighted average option exercise price
Outstanding at April 30, 2016	291,200	$ 37.46
Granted	—	—
Exercised	(69,150)	34.08
Forfeited	—	—
Outstanding at April 30, 2017	222,050	$ 38.51
Granted	—	—
Exercised	(40,377)	34.11
Forfeited	—	—
Outstanding at April 30, 2018	181,673	$ 39.48
Granted	—	—
Exercised	(71,546)	32.02
Forfeited	(300)	25.26
Outstanding at April 30, 2019	**109,827**	**$ 44.39**

At April 30, 2019, all outstanding options had an aggregate intrinsic value of $9,660 and a remaining contractual life of 2.17 years. The weighted average exercise price for all remaining outstanding options is $44.39. All options are vested as of April 30, 2019. The aggregate intrinsic value for the total of all options exercised during the year ended April 30, 2019 was $6,868.

Information concerning the issuance of restricted stock units under the Plan and the Prior Plans is presented in the following table:

Unvested at April 30, 2016	272,900
Granted	111,150
Vested	(73,000)
Forfeited	(7,650)
Unvested at April 30, 2017	303,400
Granted	126,980
Vested	(88,700)
Forfeited	(2,699)
Unvested at April 30, 2018	338,981
Granted	172,232
Vested	(104,166)
Forfeited	(10,530)
Unvested at April 30, 2019	**388,800**

Total compensation costs recorded for employees and non-employee board members for the stock options, restricted stock, and restricted stock unit awards for the years ended April 30, 2019, 2018 and 2017 were $16,410, $18,800, and $10,697, respectively. As of April 30, 2019, there was $7,682 of total unrecognized compensation costs related to the 2018 Plan and Prior Plans for costs related to restricted stock units which are expected to be recognized ratably through fiscal 2022.

During the fourth quarter of the fiscal year ended April 30, 2017, the Company began a share repurchase program, wherein the Company was authorized to repurchase up to an aggregate of $300 million of the Company's outstanding common stock. The share repurchase authorization was valid for a period of two years. From its inception on March 9, 2017, through May 2018, the company completed the $300 million authorization by repurchasing 2,794,192 shares of its common stock.

During the fourth quarter of fiscal year ended April 30, 2018, the Board of Directors authorized an additional $300 million share repurchase program. The share repurchase authorization is valid for a period of two years. No repurchases were made on that program in fiscal 2019.

5. NET INCOME PER COMMON SHARE

Computations for basic and diluted earnings per common share are presented below:

	Years ended April 30,		
	2019	2018	2017
Basic			
Net income	**$ 203,886**	$ 317,903	$ 177,485
Weighted average shares outstanding-basic	**36,709,940**	37,778,304	39,124,665
Basic earnings per common share	**$ 5.55**	$ 8.41	$ 4.54
Diluted			
Net income	**$ 203,886**	$ 317,903	$ 177,485
Weighted-average shares outstanding-basic	**36,709,940**	37,778,304	39,124,665
Plus effect of stock options and restricted stock units	**265,447**	353,795	454,333
Weighted-average shares outstanding-diluted	**36,975,387**	38,132,099	39,578,998
Diluted earnings per common share	**$ 5.51**	$ 8.34	$ 4.48

There were no options considered antidilutive; therefore, all options were included in the computation of dilutive earnings per share for fiscal 2019, 2018, and fiscal 2017, respectively.

6. INCOME TAXES

Income tax expense (benefit) attributable to earnings consisted of the following components:

	Years ended April 30,		
	2019	2018	2017
Current tax expense (benefit):			
Federal	**$ 10,326**	$ (7,057)	41,300
State	**3,853**	1,769	5,693
	14,179	(5,288)	46,993
Deferred tax expense (benefit)	**45,337**	(98,178)	45,190
Total income tax expense (benefit)	**$ 59,516**	$ (103,466)	92,183

The tax effects of temporary differences that gave rise to significant portions of the deferred tax assets and deferred tax liabilities were as follows:

	As of April 30,	
	2019	2018
Deferred tax assets:		
Accrued liabilities and reserves	**$ 11,705**	$ 7,978
Property and equipment depreciation	**24,661**	24,419
Workers compensation	**8,277**	7,244
Deferred compensation	**3,827**	3,846
Equity compensation	**6,727**	7,158
Federal net operating losses	**—**	2,769
State net operating losses & tax credits	**775**	2,336
Other	**1,033**	889
Total gross deferred tax assets	**57,005**	56,639
Less valuation allowance	**47**	47
Total net deferred tax assets	**56,958**	56,592
Deferred tax liabilities:		
Property and equipment depreciation	**(420,710)**	(378,756)
Goodwill	**(21,560)**	(19,548)
Other	**(476)**	(234)
Total gross deferred tax liabilities	**(442,746)**	(398,538)
Net deferred tax liability	**$ (385,788)**	(341,946)

On December 22, 2017, H.R. 1, originally known as the Tax Cuts and Jobs Act (the "Tax Reform Act") was enacted. In accordance with the SEC issued Staff Accounting Bulletin ("SAB") No. 118, the Company reported the provisional impact of the Tax Reform Act in the fiscal year ended April 30, 2018. The measurement period allowed by SAB No. 118 closed during the quarter ended January 31, 2019. The Company did not record any material adjustments to the provisional amounts that were recorded in fiscal 2018.

At April 30, 2019, the Company had net operating loss carryforwards for state income tax purposes of approximately $84,330, which are available to offset future state taxable income. The state net operating loss carryforwards begin to expire in 2021. In addition, the Company had state tax credit carryforwards of approximately $504, which begin to expire in 2022.

There was a valuation allowance of $47 and $47 for state net operating loss deferred tax assets as of April 30, 2019 and 2018, respectively. The change in the valuation allowance was $0 and $(13) for the years ending April 30, 2019 and 2018, respectively. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected taxable income, and tax planning strategies in making this assessment.

Total reported tax expense applicable to the Company's continuing operations varies from the tax that would have resulted from applying the statutory U.S. federal income tax rates to income before income taxes:

	Years ended April 30,		
	2019	2018	2017
Income taxes at the statutory rates	**21.0 %**	30.4 %	35.0 %
Impact of Tax Reform Act	**0.4 %**	(80.5)%	— %
Federal tax credits	**(2.3)%**	(2.2)%	(1.8)%
State income taxes, net of federal tax benefit	**4.3 %**	3.7 %	2.8 %
Impact of phased-in state law changes, net of federal benefit	**(1.8)%**	0.8 %	— %
ASU 2016-09 Benefit (share based compensation)	**(0.6)%**	(0.8)%	(1.3)%
Other	**1.6 %**	0.3 %	(0.5)%
	22.6 %	(48.3)%	34.2 %

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company had a total of $7,287 and $6,421 in gross unrecognized tax benefits at April 30, 2019 and 2018, respectively, which is recorded in other long-term liabilities in the consolidated balance sheet. Of this amount, $5,780 represents the amount of unrecognized tax benefits that, if recognized, would impact our effective tax rate. Unrecognized tax benefits increased $866 during the twelve months ended April 30, 2019, due primarily to the increase associated with income tax filing positions for the current year exceeding the decrease related to the expiration of certain statutes of limitation.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2019	2018
Beginning balance	**$ 6,421**	$ 5,362
Additions based on tax positions related to current year	**2,169**	2,010
Additions for tax positions of prior years	**—**	322
Reductions for tax positions of prior years	**—**	—
Reductions due to lapse of applicable statute of limitations	**(1,303)**	(1,273)
Settlements	**—**	—
Ending balance	**$ 7,287**	$ 6,421

The total net amount of accrued interest and penalties for such unrecognized tax benefits was $242 and $191 at April 30, 2019 and 2018, respectively, and is included in other long-term liabilities. Net interest and penalties included in income tax expense for the twelve month periods ended April 30, 2019 and April 30, 2018 was an increase in tax expense of $51 and $50, 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 IRS is currently examining tax year 2012. 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 $1,100 during the next twelve months mainly due to the expiration of certain statutes of limitation. The federal statute of limitations remains open for the tax years 2012 and forward. Tax years 2012 and forward are subject to audit by state tax authorities depending on open statute of limitations waivers and the tax code of each state.

7. LEASES

The Company leases certain property and equipment used in its operations. Generally, the leases are for primary terms of five to twenty years with options either to renew for additional periods or to purchase the premises and call for payment of property taxes, insurance, and maintenance by the lessee.

The following is an analysis of the leased property under capital leases by major classes:

	Asset balances at April 30,	
	2019	2018
Real estate	**$ 12,516**	$ 10,997
Equipment	**12,807**	2,693
	25,323	13,690
Less accumulated amortization	**9,536**	7,315
	$ 15,787	$ 6,375

Future minimum payments under the capital leases and noncancelable operating leases with initial or remaining terms of one year or more consisted of the following at April 30, 2019:

Years ended April 30,	Capital leases	Operating leases
2020	$ 3,103	$ 1,703
2021	3,109	1,547
2022	3,096	1,354
2023	3,098	1,228
2024	2,548	1,066
Thereafter	9,215	10,438
Total minimum lease payments	24,169	$ 17,336
Less amount representing interest	7,689	
Present value of net minimum lease payments	$ 16,480	

The total rent expense under operating leases was $2,078 in 2019, $2,224 in 2018, and $1,936 in 2017.

8. BENEFIT PLANS

401(k) plan The Company provides employees with a defined contribution 401(k) plan. The 401(k) plan is available to all employees who meet minimum age and service requirements. The Company contributions consist of matching amounts in Company stock and are allocated based on employee contributions. Contributions to the 401(k) plan were $9,918, $9,614, and $8,181 for the years ended April 30, 2019, 2018, and 2017, respectively.

On April 30, 2019 and 2018, 1,261,258 and 1,389,694 shares of common stock, respectively, were held by the trustee of the 401(k) plan in trust for distribution to eligible participants upon death, disability, retirement, or termination of employment. Shares held by the 401(k) plan are treated as outstanding in the computation of net income per common share.

Supplemental executive retirement plan The Company has a nonqualified supplemental executive retirement plan (SERP) for two of its executive officers, one of whom retired April 30, 2003 and the other on April 30, 2008. The SERP provides for the Company to pay annual retirement benefits, up to 50% of base compensation until death of the officer. If death occurs within twenty years of retirement, the benefits become payable to the officer’s spouse (at a reduced level) until the spouse’s death or twenty years from the date of the officer’s retirement, whichever comes first. The Company has accrued the deferred compensation over the term of employment. The amounts accrued at April 30, 2019 and 2018, respectively, were $3,800 and $4,214. The discount rates were based off of the Company's incremental borrowing rate, and ranged from 3.78% to 4.01% for the year ended April 30, 2019. The discount rate used was 4.5% at April 30, 2018. The amount expensed in fiscal 2019 was $221 and the Company expects to pay $635 per year for each of the next four years, and $354 in the fifth year. Expense incurred in fiscal 2018 and fiscal 2017 was $112 and $131, respectively.

Other post-employment benefits The Company also has severance and/or deferred compensation agreements with two other former employees. The amounts accrued at April 30, 2019 and 2018 were $2,870 and $3,431, respectively. The Company expects to pay $401 for each of the next five years under the agreements. The (benefit received) expense incurred in fiscal 2019, 2018, and 2017 was $(97), $131, and $370, respectively.

9. COMMITMENTS

During the 2019 fiscal year, the Company was a party to an employment agreement with Terry W. Handley with respect to his service as President and Chief Executive Officer. Mr. Handley retired from the Company on June 23, 2019. In connection with the appointment of Darren M. Rebelez as President and Chief Executive Officer effective June 24, 2019, the Company is a party to an employment agreement with Mr. Rebelez that provides he will receive aggregate base compensation of not less than $950 per year, exclusive of incentive payments. The Company also has entered into change of control agreements with its president and CEO and eighteen other officers, providing for certain payments in the event of termination in connection with a change of control of the Company.

10. CONTINGENCIES

Environmental compliance The United States Environmental Protection Agency and several states have adopted laws and regulations relating to underground storage tanks used for petroleum products. Several states in which the Company does business have trust fund programs with provisions for sharing or reimbursing corrective action or remediation costs.

Management currently believes that substantially all capital expenditures for electronic monitoring, cathodic protection, and overfill/spill protection to comply with existing regulations have been completed. The Company has an accrued liability at April 30, 2019 and 2018 of approximately $381 and $260, respectively, 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. Additional regulations or amendments to the existing regulations could result in future revisions to such estimated expenditures.

Legal matters 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 disputes; employment, personnel, or accessibility matters; personal injury and property damage claims; and claims by federal, state, and local regulatory authorities relating to the sale of products pursuant to licenses and permits issued by those authorities. 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.

Other At April 30, 2019, the Company was partially self-insured for workers' compensation claims in all but two states of its marketing territory. In North Dakota and Ohio, the Company is required to participate in an exclusive, state managed fund for all workers compensation claims. The Company was also partially self-insured for general liability and auto liability under an agreement that provides for annual stop-loss limits equal to or exceeding approximately $1,000. To facilitate this agreement, letters of credit approximating $21,526 and $21,118, respectively, were issued and outstanding at April 30, 2019 and 2018, on the insurance company's behalf. Additionally, the Company is self-insured for its portion of employee medical expenses. At April 30, 2019 and 2018, the Company had $44,334 and $39,777, respectively, in accrued expenses for estimated claims relating to self-insurance, the majority of which has been actuarially determined.

11. QUARTERLY FINANCIAL DATA (Dollars in thousands, except per share amounts) (Unaudited)

	Year ended April 30, 2019				
	Q1	**Q2**	**Q3**	**Q4**	**Year Total**
Total revenue					
Fuel	**$ 1,647,417**	**1,621,868**	**1,233,620**	**1,345,866**	**5,848,770**
Grocery & other merchandise	**644,800**	**618,250**	**543,773**	**562,699**	**2,369,521**
Prepared food & fountain	**281,003**	**283,062**	**256,144**	**254,086**	**1,074,294**
Other	**15,212**	**14,825**	**14,539**	**15,746**	**60,325**
	$ 2,588,432	**2,538,005**	**2,048,076**	**2,178,397**	**9,352,910**
Revenue less cost of goods sold excluding depreciation and amortization and credit card fees					
Fuel	**$ 123,476**	**118,656**	**122,559**	**101,417**	**466,107**
Grocery & other merchandise	**208,925**	**200,193**	**173,512**	**177,188**	**759,817**
Prepared food & fountain	**174,184**	**176,675**	**159,682**	**158,057**	**668,598**
Other	**15,183**	**14,797**	**14,512**	**15,708**	**60,202**
	$ 521,768	**510,321**	**470,265**	**452,370**	**1,954,724**
Net income	**$ 70,224**	**66,615**	**41,835**	**25,212**	**203,886**
Income per common share					
Basic	**1.92**	**1.82**	**1.14**	**0.69**	**5.55**
Diluted	**1.90**	**1.80**	**1.13**	**0.68**	**5.51**

	Year ended April 30, 2018				
	Q1	Q2	Q3	Q4	Year Total
Total revenue					
Fuel	$ 1,220,985	1,306,246	1,297,340	1,321,417	5,145,988
Grocery & other merchandise	597,413	572,151	502,750	511,834	2,184,147
Prepared food & fountain	261,840	261,998	240,618	241,163	1,005,621
Other	13,501	13,350	13,895	14,623	55,368
	$ 2,093,739	2,153,745	2,054,603	2,089,037	8,391,124
Revenue less cost of goods sold excluding depreciation and amortization and credit card fees					
Fuel	$ 109,212	110,686	100,272	86,640	406,811
Grocery & other merchandise	190,364	183,133	160,150	159,929	693,576
Prepared food & fountain	163,645	160,510	145,632	143,949	613,736
Other	13,476	13,328	13,870	14,597	55,270
	$ 476,697	467,657	419,924	405,115	1,769,393
Net income	$ 56,758	48,918	192,965	19,262	317,903
Income per common share					
Basic	1.48	1.29	5.13	0.52	8.41
Diluted	1.46	1.28	5.08	0.51	8.34

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) 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 CEO and CFO have concluded that the Company's current disclosure controls and procedures were effective as of April 30, 2019.

For purposes of Rule 13a-15(e), the term disclosure controls and procedures means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Act (l5 U.S.C. 78a et seq.) is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(b) Management's Report on Internal Control over Financial Reporting.

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control system was designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of published financial statements. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of April 30, 2019. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control - Integrated Framework (2013)*. On the basis of the prescribed criteria, management concluded that the Company's internal control over financial reporting was effective as of April 30, 2019.

KPMG LLP, as the Company's independent registered public accounting firm, has issued a report on its assessment of the effectiveness of the Company's internal control over financial reporting. This report appears on page 30.

(c) Changes in Internal Control over Financial Reporting.

In November 2018, the Company completed implementation of the first phase of a new enterprise resource planning (ERP) system, which is designed to replace or enhance certain internal financial and operating systems. In connection with the ERP implementation, we updated the processes and controls that constitute our internal control over financial reporting, as necessary, to accommodate related changes to our accounting procedures and business processes. There have been no other changes in the Company's internal control over financial reporting during the fiscal year ended April 30, 2019 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

(d) Other.

The Company does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all fraud and material errors. An internal control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations on all internal control systems, our internal control system can provide only reasonable assurance of achieving its objectives and no evaluation of controls can provide absolute assurance that all control issues and occurrences of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of internal control is also based in part upon certain assumptions about the likelihood of future events, and can provide only reasonable, not absolute, assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in circumstances, or the degree of compliance with the policies and procedures may deteriorate.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Those portions of the Company's definitive Proxy Statement appearing under the captions "Election of Directors," "Governance of the Company," "Information about our Executive Officers", "Executive Compensation", "Nominating and Corporate Governance Committee", and "Audit Committee", as filed with the Commission pursuant to Regulation 14A within 120 days after April 30, 2019 and used in connection with the Company's 2019 Annual Meeting of Shareholders are hereby incorporated by reference.

The Company has adopted a Financial Code of Ethics applicable to its Chief Executive Officer and other senior financial officers. In addition, the Company has adopted a general code of business conduct (known as the Code of Business Conduct and Ethics) for its directors, officers, and all employees. The Financial Code of Ethics, the Code of Business Conduct and Ethics, and other Company governance materials are available under the Investor Relations-Governance link of the Company website located at www.caseys.com. In the event of an amendment or waiver to the Financial Code of Ethics or the Code of Business Conduct and Ethics, any required disclosure will be posted to our website. To date, there have been no waivers of the Financial Code of Ethics or the Code of Business Conduct and Ethics. Shareholders may obtain copies of any of these corporate governance documents free of charge by downloading from the Web site or by writing to the Corporate Secretary at the address on the cover of this Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

That portion of the Company's definitive Proxy Statement appearing under the caption "Compensation Discussion and Analysis", "Compensation Committee Report", "Compensation Committee", "Executive Compensation," "Potential Payments Upon Termination or Change of Control", "Director Compensation", and "Certain Relationships and Related Party Transactions", as filed with the Commission pursuant to Regulation 14A within 120 days after April 30, 2019 and used in connection with the Company's 2019 Annual Meeting of Shareholders is hereby incorporated by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Those portions of the Company's definitive Proxy Statement appearing under the captions "Beneficial Ownership of Shares of Common Stock by Directors and Executive Officers", "Principal Shareholders" and "Equity Compensation Plan Information", as filed with the Commission pursuant to Regulation 14A within 120 days after April 30, 2019 and used in connection with the Company's 2019 Annual Meeting of Shareholders are hereby incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

That portion of the Company's definitive Proxy Statement appearing under the captions "Certain Relationships and Related Transactions", "Governance of the Company" and "The Board of Directors and its Committees", as filed with the Commission pursuant to Regulation 14A within 120 days after April 30, 2019 and used in connection with the Company's 2019 Annual Meeting of Shareholders is hereby incorporated by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

That portion of the Company's definitive Proxy Statement appearing under the caption "Ratification of Appointment of Independent Registered Public Accounting Firm" as filed with the Commission within 120 days after April 30, 2019 and used in connection with the Company's 2019 Annual Meeting of Shareholders is hereby incorporated by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as a part of this report on Form 10-K:

(1) The following financial statements are included herewith:

Report of Independent Registered Public Accounting Firm
Consolidated Balance Sheets, April 30, 2019 and 2018
Consolidated Statements of Income, Three Years Ended April 30, 2019
Consolidated Statements of Shareholders' Equity, Three Years Ended April 30, 2019
Consolidated Statements of Cash Flows, Three Years Ended April 30, 2019
Notes to Consolidated Financial Statements

(2) No schedules are included because the required information is inapplicable or is presented in the consolidated financial statements or related notes thereto.

(3) The following exhibits are filed as a part of this report:

Exhibit Number	Description of Exhibits
3.1	Second Restatement of the Restated and Amended Articles of Incorporation, as amended September 5, 2018 (incorporated by reference to Exhibit 3.1 to Form 10-Q as filed September 10, 2018)
3.2(a)	Fourth Amended and Restated By-Laws, as amended September 5, 2018 (incorporated by reference to Exhibit 3.2 (a) to Form 10-Q as filed September 10, 2018)
4.8	Note Purchase Agreement dated as of September 29, 2006 among the Company and the purchasers the 5.72% Senior Notes, Series A and Series B (incorporated by reference to Exhibit 4.8 to Form 8-K as filed September 29, 2006)
4.9	Note Purchase Agreement dated as of August 9, 2010 among the Company and the purchasers of the 5.22% Senior Notes (incorporated by reference to Exhibit 4.1 to Form 8-K as filed August 10, 2010)
4.10	Note Purchase Agreement dated as of June 17, 2013 among the Company and the purchasers of the 3.67% Series A Notes and 3.75% Series B Notes (incorporated by reference to Exhibit 4.10 to Form 8-K as filed June 18, 2013)
4.11	Note Purchase Agreement dated as of May 2, 2016 among the Company and the purchasers of the 3.65% Series C Notes and 3.72% Series D Notes (incorporated by reference to Exhibit 4.11 to Form 8-K as filed May 3, 2016)
4.12	Note Purchase Agreement dated as of June 13, 2017 among the Company and the purchasers of the 3.51% Series E Notes and 3.77% Series F Notes (incorporated by reference to Exhibit 4.12 to Form 8-K as filed June 15, 2017)
4.13	Description of Securities Registered Under Section 12 of the Exchange Act
10.28(d)	Promissory Note delivered to UMB Bank, n.a. and related Negative Pledge Agreement dated January 11, 2019 (incorporated by reference to exhibit 10.28(d) to Form 8-K as filed January 17, 2019)
10.28(e)	Credit Agreement dated January 11, 2019, among Casey's General Stores, Inc. as borrower, and Royal Bank of Canada, as administrative agent, and the lenders and issuing banks from time to time party thereto (incorporated by reference to Exhibit 10.28 (e) to Form 8-K as filed January 17, 2019)
10.29(a)*	Form of "change of control" Employment Agreement (incorporated by reference to Exhibit 10.29(a) to Form 8-K as filed June 2, 2010)
10.30*	Non-Qualified Supplemental Executive Retirement Plan and Amendment thereto (incorporated by reference to Exhibit 10.30 to Form 10-K as filed June 29, 2018)
10.31*	Non-Qualified Supplemental Executive Retirement Plan Trust Agreement with UMB Bank, n.a. (incorporated by reference to Exhibit 10.31 to Form 8-K as filed November 10, 1997)
10.33*	Casey's General Stores, Inc. 2000 Stock Option Plan and related form of Grant Agreement (incorporated by reference to Exhibit 10.33 to Form 10-K as filed June 29, 2018)

10.38*	Executive Nonqualified Excess Plan Document and related Adoption Agreement dated July 12, 2006 (incorporated by reference to Exhibit 10.38 to Form 10-K as filed June 29, 2007)
10.39*	Employment Agreement with Robert J. Myers and Amendment and Second Amendment thereto (incorporated by reference to Exhibit 10.39 to Form 10-K as filed June 29, 2018)
10.40*	Severance Agreement with John G. Harmon (incorporated by reference to Exhibit 99.1 to Form 8-K as filed January 17, 2008)
10.41*	Casey's General Stores, Inc. 2009 Stock Incentive Plan and related forms of Stock Option Grant (2011), Restricted Stock Agreement (Officers and Other Employees) (2015, 2016), Restricted Stock Units Agreement (Officers and Other Employees) (2015, 2016), Restricted Stock Units Agreement (Non-Officer Employees) (2017, 2018), Restricted Stock Units Agreement (LTI Awards to Officers) and Award Summary (2017, 2018), Stock Award Agreement (Non-Employee Directors) (2017), and Restricted Stock Units Agreement (Non-Employee Directors) (2018) (incorporated by reference to Exhibit 10.41 to Form 10-K as filed June 29, 2018)
10.42*	Employment Agreement with Terry W. Handley and related Restricted Stock Units Award Agreement dated April 12, 2016 (incorporated by reference to Exhibit 10.42 to Form 10-K as filed June 29, 2018)
10.43*	Casey's General Stores, Inc. 2018 Stock Incentive Plan (incorporated by reference to Exhibit 10.43 to Form 8-K as filed September 10, 2018)
10.44*	Form of Restricted Stock Units Agreement for Non-Employee Directors under 2018 Stock Incentive Plan (incorporated by reference to Exhibit 99.1 to Form 8-K as filed September 10, 2018)
21	Subsidiaries of Casey's General Stores, Inc.
23.1	Consent of Independent Registered Public Accounting Firm
31.1	Certificate of Darren M. Rebelez under Section 302 of Sarbanes-Oxley Act of 2002
31.2	Certificate of William J. Walljasper under Section 302 of Sarbanes-Oxley Act of 2002
32.1	Certificate of Darren M. Rebelez under Section 906 of Sarbanes-Oxley Act of 2002
32.2	Certificate of William J. Walljasper 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

* Indicates management contract or compensatory plan or arrangement.

ITEM 16. FORM 10-K SUMMARY

Not Applicable

ITEM 16. FORM 10-K SUMMARY

Not Applicable

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.
(Registrant)

Date: June 28, 2019	By /s/ Darren M. Rebelez Darren M. Rebelez, President and Chief Executive Officer (Principal Executive Officer and Director)
Date: June 28, 2019	By /s/ William J. Walljasper William J. Walljasper Senior Vice President and Chief Financial Officer (Authorized Officer and Principal Financial and Accounting Officer)

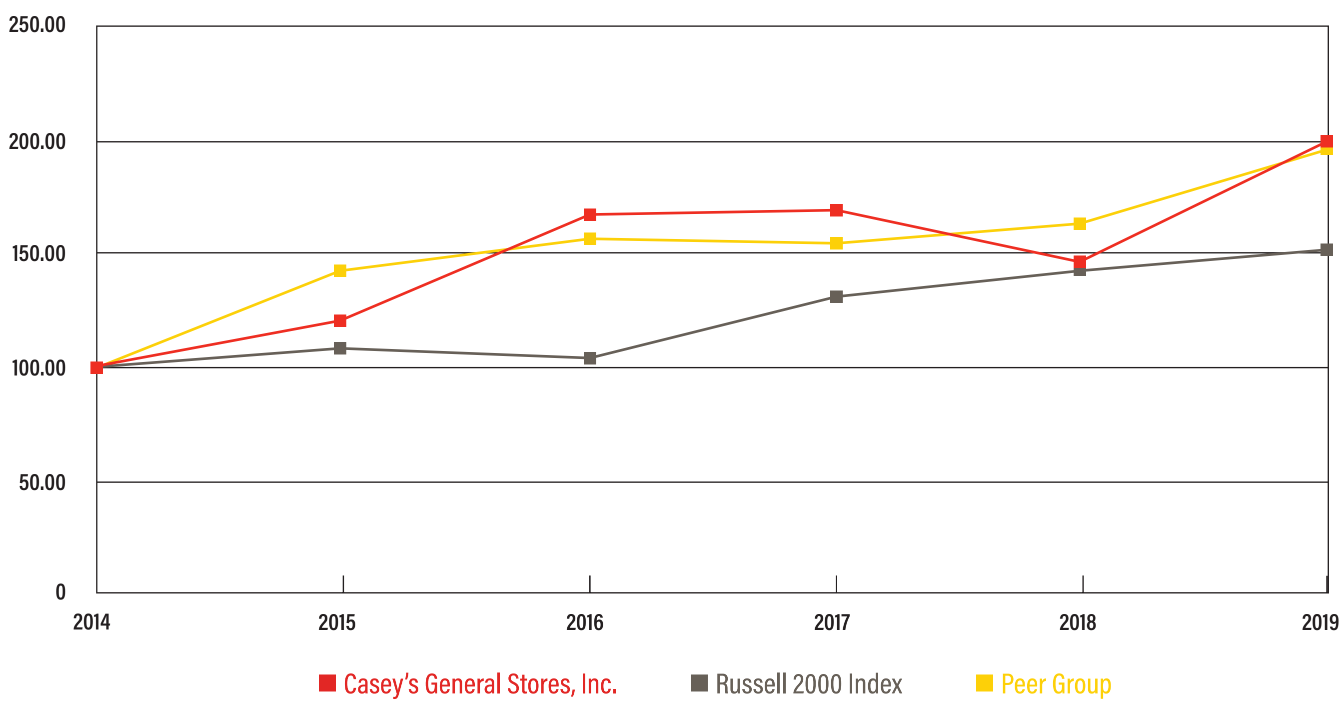
Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: June 28, 2019	By /s/ H. Lynn Horak H. Lynn Horak Chair and Director
Date: June 28, 2019	By /s/ William J. Walljasper William J. Walljasper Senior Vice President and Chief Financial Officer
Date: June 28, 2019	By /s/ Darren M. Rebelez Darren M. Rebelez, President and Chief Executive Officer, Director
Date: June 28, 2019	By /s/ Cara K. Heiden Cara K. Heiden Director
Date: June 28, 2019	By /s/ Diane C. Bridgewater Diane C. Bridgewater Director
Date: June 28, 2019	By /s/ Donald E. Frieson Donald E. Frieson Director

Date: June 28, 2019	By /s/ David K. Lenhardt David K. Lenhardt Director
Date: June 28, 2019	By /s/ Allison M. Wing Allison M. Wing Director
Date: June 28, 2019	By /s/ Larree M. Renda Larree M. Renda Director
Date: June 28, 2019	By /s/ Judy A. Schmeling Judy A. Schmeling Director

COMPARATIVE STOCK PERFORMANCE

The following Performance Graph compares the cumulative total shareholder return on the Company's Common Stock for the last five fiscal years with the cumulative return of (i) the Russell 2000 Index, and (ii) a peer group index(1) based on the common stock of Travel Centers of America LLC, Alimentation Couche-Tard Inc., Core-Mark Holding Company, Inc., Dollar General Corporation, Dollar Tree, Inc., Domino's Pizza, Inc., Papa John's International Inc. and The Kroger Co. The cumulative total shareholder return computations set forth in the Performance Graph assumes the investment of $100 in the Company's Common Stock and each index on April 30, 2014, and reinvestment of all dividends. The total shareholder returns shown are not intended to be indicative of future returns.



	2014	2015	2016	2017	2018	2019
Casey's General Stores, Inc.	100.00	120.90	166.11	167.57	145.82	201.67
Russell 2000 Index	100.00	109.71	103.18	139.63	144.58	151.25
Peer Group	100.00	141.57	155.09	152.86	162.57	198.67

CASEYS.COM

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