

## INGLES MARKETS, INCORPORATED

(Amounts in thousands except per share data)

### Unaudited Financial Highlights

	Three Months Ended		Nine Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Net sales	\$ 835,347	\$ 738,695	\$ 2,395,255	\$ 2,105,558
Gross profit	191,063	175,228	556,216	506,659
Operating and administrative expenses	158,069	141,787	461,418	417,749
Rental income, net	673	1,248	2,786	3,552
Gain (loss) from sale or disposal of assets	(110)	7,668	(670)	7,178
Income from operations	33,557	42,357	96,914	99,640
Other income, net	843	793	2,345	2,138
Interest expense	11,626	11,861	34,766	35,803
Income taxes	6,800	11,543	22,832	21,555
Net income	\$ 15,974	\$ 19,746	\$ 41,661	\$ 44,420
Basic earnings per common share – Class A	\$ 0.68	\$ 0.84	\$ 1.78	\$ 1.90
Basic earnings per common share – Class B	\$ 0.62	\$ 0.77	\$ 1.62	\$ 1.73
Diluted earnings per common share – Class A	\$ 0.65	\$ 0.81	\$ 1.70	\$ 1.81
Diluted earnings per common share – Class B	\$ 0.62	\$ 0.77	\$ 1.62	\$ 1.73
Additional selected information:				
Depreciation and amortization expense	\$ 17,482	\$ 15,408	\$ 50,863	\$ 44,756
Rent expense	\$ 3,790	\$ 3,762	\$ 11,577	\$ 12,393

### Condensed Consolidated Balance Sheets (Unaudited)

	June 28, 2008	Sept. 29, 2007
<b>ASSETS</b>		
Cash and cash equivalents	\$ 13,411	\$ 16,839
Receivables-net	55,935	44,641
Inventories	252,459	233,465
Other current assets	10,217	10,648
Property and equipment-net	977,549	839,732
Other assets	10,002	9,947
<b>TOTAL ASSETS</b>	<u>\$ 1,319,573</u>	<u>\$ 1,155,272</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current maturities of long-term debt	\$ 30,816	\$ 31,307
Accounts payable, accrued expenses and current portion of other long-term liabilities	229,864	219,161
Deferred income taxes	39,180	38,177
Long-term debt	635,787	511,950
Other long-term liabilities	5,709	6,533
Total Liabilities	<u>941,356</u>	<u>807,128</u>
Stockholders' equity	<u>378,217</u>	<u>348,144</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 1,319,573</u>	<u>\$ 1,155,272</u>