

## INGLES MARKETS, INCORPORATED

(Amounts in thousands except per share data)

### Financial Highlights

(Unaudited)

	Quarter Ended		Year Ended	
	Sept. 29, <u>2007</u>	Sept. 30, <u>2006</u>	Sept. 29, <u>2007</u>	Sept. 30, <u>2006</u>
Net sales	\$ 746,035	\$ 722,978	\$ 2,851,593	\$ 2,612,233
Gross profit	179,576	177,939	686,235	652,194
Operating and administrative expenses	146,275	143,967	564,023	536,614
Rental income, net	868	964	4,419	4,980
(Loss) gain from sale or disposal of assets	(298)	(4,482)	6,880	(4,440)
Income from operations	33,871	30,454	133,511	116,120
Other income (expense), net	875	520	3,013	1,744
Interest expense	10,873	13,046	46,675	49,783
Income taxes	9,656	6,399	31,211	25,499
Net income	\$ 14,217	\$ 11,529	\$ 58,638	\$ 42,582
Basic earnings per common share – Class A	\$ 0.61	\$ 0.49	\$ 2.51	\$ 1.82
Basic earnings per common share – Class B	\$ 0.55	\$ 0.45	\$ 2.28	\$ 1.66
Diluted earnings per common share – Class A	\$ 0.57	\$ 0.47	\$ 2.39	\$ 1.74
Diluted earnings per common share – Class B	\$ 0.55	\$ 0.45	\$ 2.28	\$ 1.66
Additional selected information:				
Depreciation and amortization expense	\$ 16,188	\$ 15,633	\$ 60,944	\$ 59,930
Rent expense	\$ 5,299	\$ 4,291	\$ 17,692	\$ 20,889

### Condensed Consolidated Balance Sheets

	Sept. 29, <u>2007</u>	Sept. 30, <u>2006</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 16,839	\$ 17,540
Receivables-net	44,641	43,594
Inventories	233,465	215,369
Other current assets	10,648	9,315
Property and equipment-net	839,732	771,628
Other assets	9,947	17,528
<b>TOTAL ASSETS</b>	<u>\$ 1,155,272</u>	<u>\$ 1,074,974</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Short-term loans and current maturities of long-term debt	\$ 31,307	\$ 33,666
Accounts payable, accrued expenses and current portion of other long-term liabilities	219,161	185,195
Deferred income taxes	38,177	22,673
Long-term debt	511,950	522,649
Other long-term liabilities	6,533	6,118
Total Liabilities	<u>807,128</u>	<u>770,301</u>
Stockholders' equity	<u>348,144</u>	<u>304,673</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 1,155,272</u>	<u>\$ 1,074,974</u>