

INGLES MARKETS, INCORPORATED
(Amounts in thousands except per share data)

Unaudited Financial Highlights
Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended		Six Months Ended	
	March 29, 2014	March 30, 2013	March 29, 2014	March 30, 2013
Net sales	\$ 947,761	\$ 920,694	\$ 1,892,885	\$ 1,855,672
Gross profit	206,124	198,646	409,630	406,851
Operating and administrative expenses	178,403	174,978	355,833	349,824
Gain from sale or disposal of assets	84	4,054	208	4,176
Income from operations	27,805	27,722	54,005	61,203
Other income, net	738	739	1,578	1,304
Interest expense	11,699	15,720	23,481	31,280
Income taxes	6,389	4,651	12,114	11,569
Net income	\$ 10,455	\$ 8,090	\$ 19,988	\$ 19,658
Basic earnings per common share – Class A	\$ 0.47	\$ 0.35	\$ 0.91	\$ 0.85
Diluted earnings per common share – Class A	\$ 0.46	\$ 0.33	\$ 0.88	\$ 0.81
Basic earnings per common share – Class B	\$ 0.43	\$ 0.32	\$ 0.83	\$ 0.77
Diluted earnings per common share – Class B	\$ 0.43	\$ 0.32	\$ 0.83	\$ 0.77
Additional selected information:				
Depreciation and amortization expense	\$ 24,189	\$ 23,506	\$ 48,114	\$ 47,128
Rent expense	\$ 3,656	\$ 3,844	\$ 7,227	\$ 7,390

Condensed Consolidated Balance Sheets (Unaudited)

	March 29, <u>2014</u>	September 28, <u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 7,387	\$ 16,844
Receivables-net	64,924	59,930
Inventories	333,423	329,691
Other current assets	25,111	28,075
Property and equipment-net	1,205,951	1,212,132
Other assets	<u>23,655</u>	<u>22,656</u>
TOTAL ASSETS	\$ <u>1,660,451</u>	\$ <u>1,669,328</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current maturities of long-term debt	\$ 13,815	\$ 18,957
Accounts payable, accrued expenses and current portion of other long-term liabilities	213,822	232,317
Deferred income taxes	83,550	86,082
Long-term debt	897,318	893,514
Other long-term liabilities	<u>28,550</u>	<u>27,819</u>
Total Liabilities	1,237,055	1,258,689
Stockholders' equity	<u>423,396</u>	<u>410,639</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ <u>1,660,451</u>	\$ <u>1,669,328</u>

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