INGLES MARKETS INC
Form 424B3
November 26, 2003

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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-107350

$100,000,000

OFFER TO EXCHANGE

8 7/8% Senior Subordinated Notes Due 2011
Registered under the
Securities Act of 1933
for any and all outstanding
8 7/8% Senior Subordinated Notes Due 2011
of

Ingles Markets, Incorporated

TERMS OF EXCHANGE

The exchange offer will expires at 5:00 P.M., New York City time, on December 30, 2003, unless extended.

Tenders of outstanding notes may be withdrawn any time prior to 5:00 p.m. on the business day prior to the expiration of the exchange offer.

We will not receive any proceeds from the exchange offer.

The terms of notes to be issued in exchange for the currently outstanding notes are substantially identical to the outstanding notes issued on May 29, 2003 as additional notes under our indenture dated December 11, 2001, except for certain transfer restrictions and registration rights relating to the outstanding notes.

In addition to the notes issued on May 29, 2003, we have outstanding $250,000,000 principal amount of 8 7/8% Senior Subordinated Notes due 2011. The exchange notes offered by this prospectus will be of the same series as these outstanding notes.

No public market exists for the outstanding notes or the new notes. We do not intend to list the new notes on any securities exchange or to seek approval for quotation through any automated quotation system.

See Risk Factors beginning on page 13 for a discussion of certain factors that should be considered by holders who tender their original notes in the exchange offer and by purchasers of the notes from persons eligible to use this prospectus for resale.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 26, 2003.

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ADDITIONAL INFORMATION AND INCORPORATION BY REFERENCE

We have filed with the SEC a registration statement on Form S-4 (File No. 333-107350). This prospectus, which forms part of this registration statement, does not contain all of the information included in the registration statement. For further information about us and the securities offered in this prospectus, you should refer to the registration statement and its exhibits.

We file annual, quarterly and special reports and other information with the SEC. You may read and copy at prescribed rates any document we file at the SEC s public reference rooms at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the SEC s regional offices at 3475 Lenox Road, N.E., Suite 1006, in Atlanta, Georgia 30326-1232. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public at the SEC s web site at www.sec.gov.

Our principal executive offices are located at 2913 U.S. Highway 70 West, Black Mountain, North Carolina 28711. Our telephone number is (828) 669-2941. Our website address is www.ingles-markets.com. Information on our web site is not part of this prospectus.

The SEC allows us to incorporate by reference information into this prospectus, which means that we can disclose important information to you by referring to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, except for information superseded by this prospectus. We incorporate by reference the documents listed below:

Our Annual Report on Form 10-K for the fiscal year ended September 28, 2002, filed on December 10, 2002; and

Our Quarterly Report on Form 10-Q for the quarter ended December 28, 2002, filed on February 10, 2003, our Quarterly Report on Form 10-Q for the quarter ended March 29, 2003, filed on May 8, 2003 and amended on November 19, 2003 and November 24, 2003 and our Quarterly Report on Form 10-Q for the quarter ended June 28, 2003 filed on August 8, 2003 and amended on October 8, 2003, November 19, 2003 and November 24, 2003.

We are also incorporating by reference additional documents that we may file with the SEC under Section 13(a), 13(c), 14 or 15 (d) of the Exchange Act prior to the expiration of this exchange offer. If you are a note holder, we may have sent you some of the documents incorporated by reference, but you can obtain any of them through us or the SEC. Documents incorporated by reference are available from us without charge, unless we have specifically incorporated by reference an exhibit into a document that this prospectus incorporates. You may obtain documents incorporated by reference into this prospectus by requesting them in writing or by telephone from: Ingles Markets, Incorporated, Attention: Investor Relations at the address indicated above.

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SUMMARY

The following summary contains a general discussion of our business and the exchange offer. It likely does not contain all the information that is important to you in making a decision to tender your original notes in exchange for new notes. For a more complete understanding of the exchange offer, you should read this entire prospectus and the other documents to which we refer. As used in this prospectus, all references to Ingles, we, us and all similar references are to Ingles Markets, Incorporated, a North Carolina corporation, and its consolidated subsidiaries, unless otherwise expressly stated or the context otherwise requires.

Our Ingles service mark, Laura Lynn trademark and our service mark You get a lot more. You pay a lot less. are federally registered in the United States pursuant to applicable intellectual property laws and are the property of Ingles. In addition, we use the Sealtest, Light N Lively and Pet trademarks pursuant to agreements entered into in connection with our milk, fruit juice and spring water processing and packaging operations.

Except as otherwise set forth in this prospectus, the term remodel refers to both major and minor remodelings of our stores. A major remodel and expansion provides the quality of facilities and product offerings identical to that of our prototype stores described in this prospectus while minor remodels generally include repainting, remodeling and upgrading of the lighting throughout a store. Additionally, we refurbish existing equipment and add selected new equipment during both the major and minor remodeling processes.

Ingles operates on a 52 or 53 week fiscal year ending on the last Saturday in September. Throughout this document, references to fiscal year refer to the fiscal year ending on the last Saturday in September of the referenced year, and all references to the past five fiscal years refer to the five fiscal years ended September 28, 2002. Our comparable store sales discussed in this prospectus are defined as sales by grocery stores in operation for the entire duration of the current and previous fiscal years. Replacement stores and major and minor remodels are included in the comparable store sales calculation.

Our Company

We are a leading supermarket chain in the Southeast operating 199 supermarkets in Georgia (83), North Carolina (60), South Carolina (32), Tennessee (21), Virginia (2) and Alabama (1). Our strategy is to locate our supermarkets primarily in suburban areas, small towns and rural communities which are either currently experiencing, or which we believe will experience, significant growth or in which we feel our superior store offerings present competitive advantages over the existing store offerings. Our supermarkets offer customers a wide variety of nationally advertised food products, including grocery, meat and dairy products, produce, frozen foods and other perishables, non-food products, including health and beauty care products and general merchandise, as well as quality private label items. In addition, we focus on selling high-growth, high-margin products to our customers through the development of book sections, media centers, floral departments, bakery departments and prepared foods, including delicatessen, sections. Our average supermarket it approximately 45,000 square feet, while our new prototype stores are approximately 60,000 to 65,000 square feet. Since opening our first store in 1963, we have developed strong name recognition in our markets and a reputation for combining low overall prices with high levels of quality, customer service and convenience, which has contributed to our 38 consecutive years of net sales growth. For the fiscal year ended September 28, 2002, we generated net sales of approximately $1.96 billion.

Substantially all of our stores are located within 250 miles of our 780,000 square foot warehouse and distribution center, near Asheville, North Carolina, from which we distribute groceries, produce, meat and dairy products to all of our Ingles stores. Our warehouse supplies our stores with approximately 65% of the goods they sell and we purchase the remaining 35% from third parties. The close proximity of our purchasing and distribution operations to our stores facilitates the timely distribution of consistently high quality meat, produce and other perishable items.

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We own and operate a milk processing and packaging plant that supplies approximately 80% of the milk products sold by our supermarkets, as well as a variety of orange and other fruit juices and bottled water products. By processing these products ourselves, we are able to control the availability and quality of our products. In addition to supplying our stores, as of June 28, 2003, our milk processing and packaging plant sells approximately 68% of its products to third-party retailers, food service distributors and grocery warehouses in eight states, which provides us with an additional source of revenue.

We own and operate 76 shopping centers, 58 of which contain an Ingles supermarket. We also own 74 additional properties that contain a free-standing Ingles store. We have four additional undeveloped sites suitable for a free-standing store. The majority of land tracts which we own contains additional acreage which may either be sold or developed in the future. Our owned properties are generally located in the same geographic regions as our supermarkets.

We have an ongoing renovation and expansion plan to increase the number of stores we have in our target market and to modernize the appearance and layout of our existing stores. Over the past five fiscal years, we have spent approximately $390.2 million to modernize and remodel our existing stores, relocate older stores to larger, more convenient locations and construct new stores in order to maintain the quality shopping experience that our customers expect from Ingles. As part of our renovation and expansion plan, we began in 2000 operating full-service pharmacies and gas stations at some of our stores. As of June 28, 2003, we had 23 in-store pharmacies and 16 gas stations in operation.

Sales in our grocery segment are subject to a slight seasonal variance due to holiday related sales. Sales are traditionally higher in our first fiscal quarter due to the inclusion of sales related to Thanksgiving and Christmas. Our second fiscal quarter traditionally has the lowest sales of the year, unless Easter falls in that quarter. The fluid dairy segment of our business has slight seasonal variation to the extent of its sales into the grocery industry. Our real estate segment is not subject to seasonal variations.

Industry and Market Overview

The grocery business in the United States is a stable business. Since 1975, real consumer spending at food retailers has generally experienced annual growth and has not experienced an annual decline of more than 1% in any year. We believe that the potential impact of an economic slowdown on the grocery sector would be mitigated by a shift of consumers from restaurants to supermarkets and from branded products to more profitable private label products. We operate our 199 supermarkets in the Southeast region of the United States, 196 of which are located in Georgia, North Carolina, South Carolina and Tennessee. Over the past several years, these states have grown faster than the United States as a whole in terms of population, employment and per capita personal income. Since substantially all of our existing supermarkets are, and planned new supermarkets will be, in these states, we believe that we will continue to benefit from the economic strength of this region.

The following table sets forth the percentage growth in certain statistical categories in our principal markets and nationally from 1990 to 2000:

	Georgia	North Carolina	South Carolina	Tennessee	National
Population(1)	26.4%	21.4%	15.1%	16.7%	13.1%
Total employment(2)	36.5%	28.9%	24.3%	26.4%	21.6%
Per capita annual personal income(3)	57.5%	56.5%	51.5%	56.0%	51.5%

(1) Source: United States Census Bureau

(2) Source: United States Bureau of Labor Statistics. Data is total, non-farm employment data for January 2001 versus January 1991, seasonally adjusted.

(3) Source: United States Department of Commerce Bureau of Labor Statistics

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Company Strengths

Recognized Name and Distinctive Image. We have cultivated a distinctive image as an American-owned supermarket chain that provides quality, value and service to its customers under the well-recognized Ingles name. Our shopping experience combines a high level of customer service, convenience-oriented product offerings, and low overall pricing. Our modern stores provide products and services such as home meal replacement items, delicatessens, bakeries, floral departments, media departments, greeting cards and a broad selection of health and beauty care items. In some of our locations, we have recently added full-service pharmacies and gas stations. This one-stop shopping concept is particularly important in the smaller, rural markets we serve since the number of local stores and their product offerings may be limited. Along with these factors, we seek to promote customer loyalty by providing quality products at competitive prices with an emphasis on convenient locations and high levels of customer service.

Regional Focus. Our strategy is to locate our supermarkets primarily in suburban areas, small towns and rural communities which are either currently experiencing, or which we believe will experience, significant growth or in which we feel our superior store offerings present competitive advantages over the existing store offerings. We seek to establish and maintain market leadership and earn attractive, consistent profit margins within our target markets by operating modern, full-service supermarkets in these areas. We believe that our regional focus provides an in-depth knowledge of local consumer preferences and allows for customization of our merchandising, pricing and operational strategies for local demographics and competition. Additionally, our strategy of maintaining the close proximity of our supermarkets to our warehouse and distribution facility and headquarters is intended to promote more efficient supervision of our operations, increased speed and frequency of distribution and lower distribution and transportation costs.

Modern Store Base. Over the past five fiscal years, we have spent approximately $390.2 million to modernize and remodel existing stores, relocate older stores to larger, more convenient locations and construct new stores. Approximately 50% of our current store base has been either newly built, renovated or remodeled in the last five years. We strive to maintain one of the most modern supermarket chains in the country and cater to the changing lifestyle needs of our customers.

Extensive Real Estate Portfolio. The purchase, sale and ownership of real estate are important components of our operations, providing both operational and economic benefits. We believe real estate ownership allows us to decrease occupancy costs, maintain flexibility for future store expansion, control the development and management of each property and benefit from value created by developing and operating free-standing supermarkets and shopping centers in smaller markets. Our management team continually reviews our real estate portfolio in order to maximize the utilization and profitability of our owned real estate, as well as our periodic purchases and sales of real estate. As of June 28, 2003, our real estate has a book value of approximately $563.1 million of which approximately $306.0 million is encumbered under our outstanding indebtedness.

Management Experience and Depth. Our management team has substantial experience across all operating divisions of our business. On average, our senior management team has approximately 25 years of experience in the supermarket industry including approximately 17 years with Ingles. We believe that our management s experience in our regional market is an important factor in the continuing success of Ingles. In addition to our senior management team, we have extensive management depth at the corporate, regional and store levels.

Growth Strategy

Our growth strategy is to focus on increasing revenues and profitability by capitalizing on the following:

Expand our Store Base Within Our Target Region. We believe that it is important to continue to expand our store base to capture new fill-in opportunities as the population in our region continues to grow. Our current expansion plan features 60,000 to 65,000 square foot prototype stores that have full-service amenities to meet the expanding needs of our customers and enhance our competitive position in our markets. During the past five fiscal years, we opened 55 stores of 59,000 square feet or more which includes major remodels, expansions and replacements. Management continually evaluates opportunities to expand our store base. We believe that there are sufficient attractive opportunities within 250 miles of our warehouse to support continued expansion of our store base.

Modernize and Expand Existing Stores. We believe that the appearance and features of our stores are an integral component of the customer s shopping experience. We intend to continue to position ourselves as one of the most modern supermarket chains in the industry. Depending on the size and quality of an existing store, competitive pressures and demographic trends, we complete either a remodel of an existing store or a relocation of a store to a more convenient location. When completing major remodels, we generally expand the size of the store to provide features similar to those in our new prototype stores.

Continue Profit Expansion Through Improved Product Mix. We believe that customers in our markets are increasingly convenience-oriented and interested in products in our specialty departments, such as prepared foods and home meal replacement items, which typically carry higher margins than other grocery products. We actively promote these specialty department products, including products offered in our delicatessen and bakery departments and media centers. We also continue to focus on increasing sales of our private label Laura Lynn and Ingles Best brands which typically carry higher gross margins than comparable branded products. Our improved product mix has helped us to increase our gross margins from 24.8% in fiscal 1998 to 26.1% for the nine months ended June 28, 2003.

Invest in Technology to Enhance Operating Efficiency and Customer Service. In order to improve information systems for our management, simplify employee training and improve efficiency in store operations and to provide our customers with the excellent service that they have come to expect from Ingles, we are pursuing cost-justified investments in technological advancements. We have introduced security measures to reduce theft in our stores and, in some stores, self-check out (which allows one employee to monitor four customers who self-scan their merchandise for check out) to improve labor efficiency.

The Exchange Offer

On May 29, 2003, we completed the private offering of $100,000,000 of our 8 7/8% Senior Subordinated Notes due 2011. We entered into an exchange and registration rights agreement with the initial purchasers in the private offering in which we agreed, among other things, to deliver this prospectus to you and to complete the exchange offer within 180 days of the issuance of the outstanding notes. In the exchange offer, you are entitled to exchange your outstanding notes for registered notes on substantially identical terms. The following summarizes certain material terms of the exchange offer.

Resales Without Further Registration	We believe that the new notes issued pursuant to the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act of 1933, as amended, provided that: you are acquiring the new notes issued in the exchange offer in the ordinary course of your business; you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, the distribution of the new notes issued to you in the exchange offer; and

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	you are not our affiliate, as defined under Rule 405 of the Securities Act of 1933.
	Each of the participating broker-dealers that receives new notes for its own account in exchange for original notes that were acquired by such broker or dealer as a result of market-making or other activities must acknowledge that it will deliver a prospectus in connection with the resale of the new notes.
Expiration Date	5:00 p.m., New York City time, on December 30, 2003 unless we extend the exchange offer.
Registration Rights Agreement	You have the right to exchange the original notes that you hold for new notes with substantially identical terms. This exchange offer is intended to satisfy these rights. Once the exchange offer is complete, you will no longer be entitled to any exchange or registration rights with respect to your original notes.
Accrued Interest on the New Notes and Original Notes	The new notes will bear interest from June 1, 2003, the last interest payment date for the original notes. Holders of original notes which are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest on such original notes accrued to the date of issuance of the new notes.
Conditions to the Exchange Offer	The exchange offer is conditioned upon certain customary conditions, which we may waive, and upon compliance with securities law.
Procedures for Tendering Original Notes	Each holder of original notes wishing to accept the exchange offer must:
	complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal; or
	arrange for The Depository Trust Company to transmit certain required information to the exchange agent in connection with a book-entry transfer.
	You must mail or otherwise deliver such documentation together with the original notes to the exchange agent.
Special Procedures for Beneficial Holders	If you beneficially own original notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your original notes in the exchange offer, you should contact such registered holder promptly and instruct them to tender on your behalf. If you wish to tender on your own behalf, you must, before completing and executing the letter of transmittal for the exchange offer and delivering your original notes, either arrange to have your original notes registered in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

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Guaranteed Delivery Procedures	You must comply with the applicable procedures for tendering if you wish to tender your original notes and: time will not permit your required documents to reach the exchange agent by the expiration date of the exchange offer; or you cannot complete the procedure for book-entry transfer on time; or your original notes are not immediately available.
Withdrawal Rights	You may withdraw your tender of original notes at any time prior to 5:00 p.m., New York City time, on the date the exchange offer expires.
Failure to Exchange Will Affect You Adversely	If you are eligible to participate in the exchange offer and you do not tender your original notes, you will not have further exchange or registration rights and your original notes will continue to be subject to some restrictions on transfer. Accordingly, the liquidity of the original notes will be adversely affected.
Certain United States Income Tax Considerations	The exchange of original notes for new notes pursuant to the exchange offer will not result in a taxable event. Accordingly, we believe that: no gain or loss will be realized by a U.S. holder upon receipt of a new note; a holder s holding period for a new note will include the holding period for the original note tendered in exchange for the new note; and the adjusted tax basis of a new note will be the same as the adjusted tax basis of the original note exchanged at the time of such exchange.
Exchange Agent	U.S. Bank, N.A. is serving as exchange agent.
Use of Proceeds	We will not receive any proceeds from the exchange offer.

Summary Terms Of New Notes

Issuer	Ingles Markets, Incorporated
Securities	$100.0 million principal amount of 8 7/8% senior subordinated notes. The notes will be issued under the same indenture and have the same terms as our outstanding $250.0 million principal amount of 8 7/8% Senior Subordinated Notes due 2011.
Maturity	December 1, 2011.
Interest	Annual Rate: 8 7/8% Payment Frequency: every six months on June 1 and December 1.
Ranking	The notes are unsecured senior subordinated obligations and are subordinated to our senior credit facilities and other senior

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	indebtedness. The notes rank equally with our senior subordinated indebtedness and rank senior to our subordinated indebtedness. In addition, the notes effectively rank junior to our subsidiaries liabilities. Because the notes are subordinated, in the event of bankruptcy, liquidation or dissolution and acceleration of or payment default on senior indebtedness, holders of the notes will not receive any payment until holders of senior indebtedness have been paid in full.
Optional Redemption	The notes may be redeemed, in whole or in part, at any time on or after December 1, 2006, at the redemption prices described in this prospectus, plus accrued and unpaid interest. See Description of Notes Optional Redemption. Prior to December 1, 2004, we may redeem up to 35% of the aggregate principal amount of the notes with the net cash proceeds from a public equity offering at the redemption price described in the section Description of Notes Optional Redemption.
Change of Control	If a change of control event occurs, each holder of notes may require us to repurchase all or a portion of the holder s notes at a purchase price equal to 101% of the principal amount of the notes, plus accrued interest. See Description of Notes Repurchase at the Option of Holders Change of Control.
Certain Covenants	The indenture governing the notes contains covenants that, among other things, will limit our ability and the ability of our subsidiaries to: incur additional debt; pay dividends or make other restricted payments; make investments; engage in transactions with affiliates; create certain liens or other encumbrances; sell or otherwise dispose of a portion of our assets; in the case of our subsidiaries, guarantee indebtedness or secure debt; in the case of our subsidiaries, incur obligations that restrict their ability to make dividend or other payments to us; create unrestricted subsidiaries; and consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries on a consolidated basis. These covenants are subject to important exceptions and qualifications, which are described under the heading Description of the Notes Certain Covenants.
Changes in Interest Rate	Under the registration rights agreement entered into in connection with the private placement, we agreed to use our commercially reasonable best efforts to complete this exchange offer within 180 days after the issue date of the notes. The interest

	rate on the notes will increase if we do not comply with the obligations under the registration rights agreement. See Exchange Offer; Registration Rights.
Risk Factors	See Risk Factors and the other information in this prospectus for a discussion of factors you should carefully consider before deciding to tender your original notes.

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Summary Consolidated Financial and Other Data

The following table contains our summary consolidated financial and other data as of and for each of the five fiscal years ended September 28, 2002 and the nine-month periods ended June 29, 2002 and June 28, 2003. Our summary consolidated financial data, not including our operating data, for each of the five fiscal years ended September 28, 2002 were derived from our audited consolidated financial statements. Our audited consolidated statements of income, statements of changes in stockholders equity and statements of cash flows for the three years ended September 28, 2002 and our audited consolidated balance sheets as of September 29, 2001 and September 28, 2002, together with the notes thereto and the report of Ernst & Young LLP, our independent auditors, are incorporated by reference in this prospectus. Our summary consolidated financial data, not including our operating data, for the nine-month periods ended June 29, 2002 and June 28, 2003 were derived from our unaudited condensed consolidated financial statements. Our unaudited condensed consolidated statements of income, statements of changes in stockholders equity, and statements of cash flows for the nine months ended June 29, 2002 and June 28, 2003, as well as our unaudited consolidated balance sheet as of June 28, 2003 are also incorporated by reference in this prospectus. In the opinion of management, all adjustments considered necessary for a fair presentation have been included in our unaudited condensed consolidated financial statements. Interim results for the nine-month period ended June 28, 2003 are not necessarily indicative of results that can be expected for the fiscal year ending September 27, 2003. The following table should be read in conjunction with management s discussion and analysis of financial condition and results of operations and the consolidated financial statements and the related notes incorporated by reference in this prospectus.

	Fiscal Year Ended					Nine Months Ended	
	(52 Weeks)		(53 Weeks)	(52 Weeks)		(39 Weeks)	
	Sept. 26, 1998	Sept. 25, 1999	Sept. 30, 2000	Sept. 29, 2001	Sept. 28, 2002(1)	June 29, 2002(1)	June 28, 2003
							(Restated)
	(Dollars in thousands)						
Income Statement Data:							
Net sales	$1,647,152	$1,805,375	$1,916,200	$1,953,440	$1,960,462	$1,475,552	$1,488,130
Gross profit	408,681	450,445	490,914	511,556	520,725	389,683	388,359
Operating and administrative expenses	357,068	391,910	432,631	454,647	460,599	343,339	347,359
Rental income, net	7,176	9,078	10,149	10,302	10,355	7,099	6,530
Income from operations	44,153(2)	67,612	68,432	67,212	70,481	53,443	47,530
Other income, net	2,428	2,323	6,985	3,891	5,054	3,544	3,955
Interest expense	40,117	39,785	41,226	42,903	51,540	39,456	38,081
Net income	4,163(2)	18,750	21,091	17,850	14,733	10,981	8,566
Ratio of earnings to fixed charges (unaudited)	1.11x	1.60x	1.60x	1.47x	1.35x	1.36x	1.26x
Balance Sheet Data:							
Cash and cash equivalents	$ 19,121	$ 13,960	$ 11,176	$ 12,345	$ 46,900	$ 67,449	$ 71,370
Working capital	19,071	9,115	22,059	37,452	91,399	109,703	132,730
Total assets	862,787	873,171	927,766	962,801	1,014,391	1,013,859	1,063,927
Total debt (including short-term debt)	483,173	464,494	515,637	549,545	596,632	605,563	657,537
Stockholders equity	218,236	224,122	232,138	236,500	238,559	238,378	237,418
Other Data:							
Depreciation and amortization	$ 45,616	$ 41,923	$ 43,532	$ 45,266	$ 48,312	$ 36,072	$ 38,183
Capital expenditures	155,941	52,221	102,535	73,194	49,713	26,228	58,120
Net cash provided by operating activities	71,419	59,437	42,279	47,660	52,012	36,993	29,015
Adjusted EBITDA(3)	106,833	111,858	118,949	116,369	123,847	93,059	89,668
Ratio of net debt to Adjusted EBITDA(4)	4.3x	4.0x	4.2x	4.6x	4.4x	5.8x	6.5x

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	Fiscal Year Ended					Nine Months Ended	
	(52 Weeks)		(53 Weeks)	(52 Weeks)		(39 Weeks)	
	Sept. 26, 1998	Sept. 25, 1999	Sept. 30, 2000	Sept. 29, 2001	Sept. 28, 2002(1)	June 29, 2002(1)	June 28, 2003
							(Restated)
	(Dollars in thousands)						
Ratio of Adjusted EBITDA to interest	2.7x	2.8x	2.9x	2.7x	2.4x	2.4x	2.4x
Adjusted EBITDA margin(5)	6.5%	6.2%	6.2%	6.0%	6.3%	6.3%	6.0%
Operating Data:							
Supermarkets:							
In operation at beginning of period	198	207	206	208	203	203	198
Opened or acquired during period(6)	11	3	4	2	0	0	4
Closed or sold during period(6)	2	4	2	7	5	2	3
In operation at end of period	207	206	208	203	198	201	199
Minor remodels during period	10	16	8	6	10	8	3
Major remodels and replacements during period	9	3	11	9	3	2	