



By Carl Collen

Thursday 14th May 2009, 14:02 GMT

## Profit tumbles at Whole Foods Market



The second quarter of the year saw net earnings fall US\$27.3m, down from US\$40m in the same period of 2008

**W**hole Foods Market, the US-based organic and natural foods retailer, has announced that profit dropped 32 per cent during the second quarter of 2009, down from US\$40m to US\$27.3m.

Sales for the 12-week period ended 12 April 2009 remained flat at US\$1.9bn, with comparable store sales dropping 4.8 per cent against an increase of 6.7 per cent in 2008.

"We are very pleased with our second quarter results, including free cash flow of US\$98m," said group

co-founder, chairman and CEO John Mackey. "Despite flat sales year over year, we exhibited strong expense control leading to a 10 per cent increase in income from operations excluding non-cash asset impairment charges."

The group is anticipating EBITDA in the region of US\$525m-US\$545m for the year based on this year's results so far, with diluted earnings per share of US\$0.1-US\$0.76.

"Based on our strong year-to-date results, we are maintaining our prior fiscal year ranges for estimated EBITDA,

EBITANCE and diluted earnings per share, excluding asset impairment charges and assuming just under US\$8bn in sales," Mr Mackey added.

Whole Foods Market had reported in February that first quarter profit fell 29 per cent, down to US\$27.8m from US\$39.1m in 2008, mainly as a result of US\$11m in legal costs related to the acquisition of Wild Oats.