

THE PULSE OF THE INDEPENDENT GROCER

Southeast Independent Grocers Record sales of 4.4% August 2011 Sales to August 2010

Based on a monthly survey of independent grocery retailers in the Southeast, sales for August 2011 versus August 2010 were up 4.4%. This result trends higher than the national average of 3.2% for independent grocers across the nation.

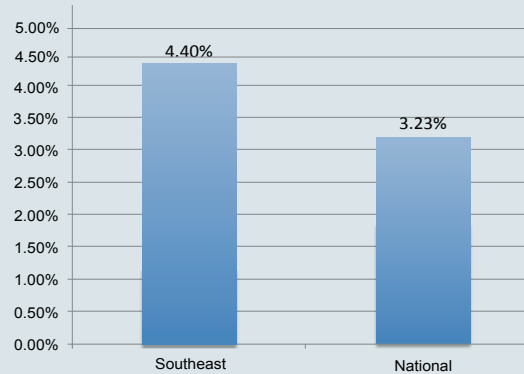
Inflation remains a substantial challenge for independent supermarket retailers. The August CPI-U Food at Home index increased .6% which was identical to July's increase and now has the 12 month cumulative CPI-U Food at Home inflation rate at 6.0%.

With August' national unemployment rate at 9.1% and inflation now at 6%, independent supermarkets continue to face very tough economic times. A retailers ability to effectively pass along inflation to the consumer and adjust down variable operating expenses will be critical to their success as they fight both inflation and low to negative same store sales gains.

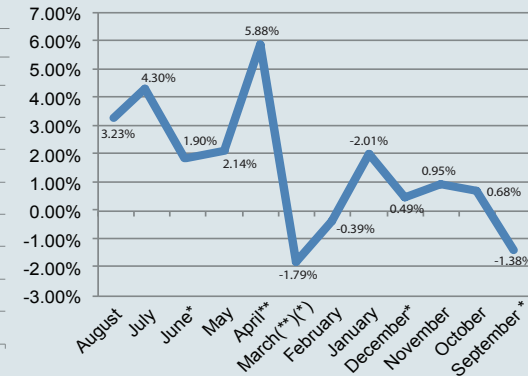
The recently released 2011 FMS/NGA Independent Grocers Financial Survey showed just how strong that pressure is with gross margins dropping from 26.28% to 25.68%.

INDEPENDENT SALES COMPARISONS - CURRENT YEAR VS. PRIOR YEAR

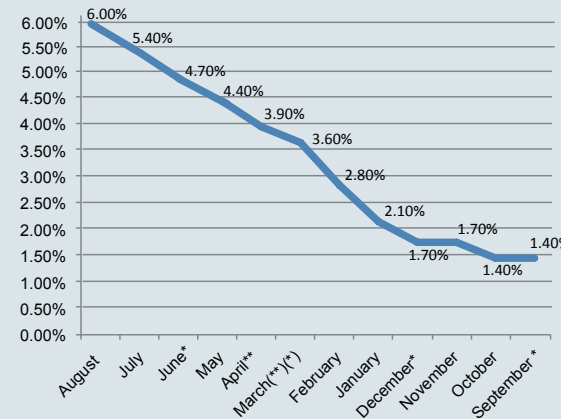
SOUTHEAST SALES - AUGUST 2011 VS. AUGUST 2010



NATIONAL SALES

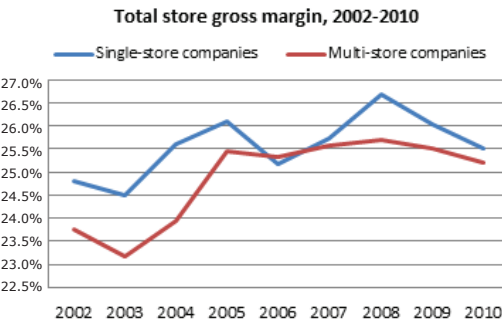


CPI FOOD AT HOME



COMPARATIVE TABLE

	National Sales	CPI Food at Home	Adjusted Sales
August	3.23%	6.00%	-2.77%
July	4.30%	5.40%	-1.10%
June*	1.90%	4.70%	-2.80%
May	2.14%	4.40%	-2.26%
April**	5.88%	3.90%	1.98%
March(**)(*)	-1.79%	3.60%	-5.39%
February	-0.39%	2.80%	-3.19%
January	2.01%	2.10%	-0.09%
December*	0.49%	1.70%	-1.21%
November	0.95%	1.70%	-0.75%
October	0.68%	1.40%	-0.72%
September*	-1.38%	1.40%	-2.78%



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FMS Solutions

* DENOTE 5 WEEK MONTH

** EASTER HOLIDAY FELL IN DIFFERENT MONTH IN COMPARISON

SALES COMPARISONS ARE FOR FULL SALES WEEK OF RESPONDENT CLOSEST TO A SATURDAY WEEKEND. SALES COMPARISONS ARE FOR SAME STORE SALES AND DO NOT INCLUDE NEW STORES WITHOUT FULL PRIOR YEAR WEEK.