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VILLAGE SUPER MARKET INC

Form 8-K

October 02, 2007

VILLAGE SUPER MARKET, INC.
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VILLAGE SUPER MARKET, INC.
REPORTS RECORD RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED
JULY 28, 2007

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Springfield, New Jersey - October 1, 2007 - Village Super Market, Inc. (NSD-VLGEA) today reported its results of operations for the fourth quarter ended July 28, 2007.

Net income was \$6,332,000 in the fourth quarter of fiscal 2007, an increase of 26% from the fourth quarter of the prior year. Net income increased primarily due to improved sales, higher gross profit percentages and lower operating expenses as a percentage of sales.

Sales were \$269,256,000 in the fourth quarter of fiscal 2007, an increase of 2.6% from the fourth quarter of the prior year. Same store sales also increased 2.6%. Improved sales in one store due to the closing of a store by a competitor and in the Somers Point replacement store contributed to the sales increase. These improvements were partially offset by reduced sales in four stores due to three competitive store openings.

Net income for the fiscal year was \$20,503,000, an increase of 24% from the prior year. Sales in fiscal 2007 were \$1,046,435,000, an increase of 2.9% from the prior year. Same store sales also increased 2.9%. Net income in fiscal 2007 improved compared to the prior year due to the higher same store sales and improved gross profit percentages.

Village Super Market operates a chain of 23 supermarkets under the ShopRite name in New Jersey and eastern Pennsylvania. On August 11, 2007, the Company acquired the fixtures and lease for a store in Galloway Township, New Jersey that had been operated by a competitor for \$3,500,000. We expect to re-open this store as a ShopRite on October 3rd after an extensive remodel. In addition, our new superstore in Franklin, New Jersey is expected to open on October 31st.

All statements, other than statements of historical fact, included in this Press Release are or may be considered forward-looking statements within the meaning of federal securities law. The Company cautions the reader that there is no assurance that actual results or business conditions will not differ materially from future results, whether expressed, suggested or implied by such forward-looking statements. The Company undertakes no obligation to update forward-looking statements to reflect developments or information obtained after the date hereof. The following are among the principal factors that could cause actual results to differ from the forward-looking statements: local economic conditions; competitive pressures from the Company's operating environment; the ability of the Company to maintain and improve its sales and

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margins; the ability to attract and retain qualified associates; the availability of new store locations; the availability of capital; the liquidity of the Company; the success of operating initiatives; consumer spending patterns; the impact of higher energy prices; increased cost of goods sold, including increased costs from the Company's principal supplier, Wakefern; the results of litigation; the results of union contract negotiations; competitive store openings; the rate of return on pension assets; and other factors detailed herein and in the Company's filings with the SEC.

VILLAGE SUPER MARKET, INC. CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS (In Thousands Except Per Share Amounts)

	13 Wks. Ended July 28, 2007	13 Wks. Ended July 29, 2006	52 Wks. Ended July 28, 2007	52 Wks. Ended July 29, 2006
Sales	\$ 269,256	\$ 262,461	\$ 1,046,435	\$ 1,016,817
Cost of sales	195,944	192,088	764,494	747,320
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Gross profit	73,312	70,373	281,941	269,497
Operating and administrative expense	59,623	58,577	235,226	228,474
Depreciation and amortization	3,186	3,057	12,398	11,679
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Operating income	10,503	8,739	34,317	29,344
Interest expense	(652)	(774)	(2,687)	(3,145)
Interest income	1,061	712	3,673	2,140
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Income before income taxes	10,912	8,677	35,303	28,339
Income taxes	4,580	3,654	14,800	11,852
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Net income	\$ 6,332	\$ 5,023	\$ 20,503	\$ 16,487
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Net income per share(1):				
		Revised		Revised
Class A common stock:				
Basic	\$ 1.20	\$.96	\$ 3.89	\$ 3.14
Diluted	\$.96	\$.77	\$ 3.14	\$ 2.55
Class B common stock:				
Basic	\$.78	\$.62	\$ 2.53	\$ 2.04
Diluted	\$.76	\$.61	\$ 2.47	\$ 2.01
Gross profit as a % of sales	27.2%	26.8%	26.9%	26.5%
Operating and				

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administrative expense as a % of sales	22.1%	22.3%	22.5%	22.5%
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(1) Net income per share is computed utilizing the two-class method. The two-class method is an allocation formula that calculates net income per share for each class of common stock separately dividends declared and participation rights in undistributed earnings. Net income per share for periods has been revised to reflect the two-class method.