

**The Great Atlantic & Pacific Tea Company, Inc.**  
**Schedule 1 - GAAP Earnings for the 12 and 40 weeks ended November 29, 2003 and November 30, 2002**  
**(Unaudited)**  
**(In thousands, except share amounts and store data)**

	12 Weeks Ended		40 Weeks Ended	
	November 29, 2003	November 30, 2002	November 29, 2003	November 30, 2002
Sales <sup>(1)</sup>	\$ 2,465,295	\$ 2,310,775	\$ 8,112,825	\$ 7,731,733
Cost of merchandise sold <sup>(2)</sup>	<u>(1,809,234)</u>	<u>(1,666,823)</u>	<u>(5,918,669)</u>	<u>(5,546,634)</u>
Gross margin	656,061	643,952	2,194,156	2,185,099
Store operating, general and administrative expense <sup>(2)(3)(4)</sup>	<u>(740,493)</u>	<u>(655,232)</u>	<u>(2,311,960)</u>	<u>(2,178,772)</u>
(Loss) income from operations	(84,432)	(11,280)	(117,804)	6,327
Interest expense	(18,383)	(19,816)	(61,212)	(66,208)
Interest income	1,384	1,231	5,296	6,295
Loss from continuing operations before income taxes <sup>(2)</sup>	(101,431)	(29,865)	(173,720)	(53,586)
Benefit from (provision for) income taxes <sup>(5)</sup>	<u>28,773</u>	<u>(1,999)</u>	<u>23,625</u>	<u>(124,750)</u>
Loss from continuing operations <sup>(2)</sup>	(72,658)	(31,864)	(150,095)	(178,336)
Discontinued operations: <sup>(6)</sup>				
Income (loss) from operations of discontinued businesses, net of tax	286	2,132	(32,923)	5,795
Gain on disposal of discontinued operations, net of tax	47,270	-	94,506	-
Income from discontinued operations	<u>47,556</u>	<u>2,132</u>	<u>61,583</u>	<u>5,795</u>
Net loss	<u>\$ (25,102)</u>	<u>\$ (29,732)</u>	<u>\$ (88,512)</u>	<u>\$ (172,541)</u>
Net (loss) income per share - basic and diluted: <sup>(2)</sup>				
Continuing operations	\$ (1.89)	\$ (0.83)	\$ (3.90)	\$ (4.63)
Discontinued operations	1.23	0.06	1.60	0.15
Net loss per share - basic and diluted	<u>\$ (0.65)</u>	<u>\$ (0.77)</u>	<u>\$ (2.30)</u>	<u>\$ (4.48)</u>
Weighted average common shares outstanding - basic	<u>38,517,218</u>	<u>38,515,806</u>	<u>38,516,489</u>	<u>38,488,514</u>
Weighted average common shares outstanding - diluted	<u>38,517,218</u>	<u>38,515,806</u>	<u>38,516,489</u>	<u>38,488,514</u>
Gross margin rate	26.61%	27.87%	27.05%	28.26%
Store operating, general and administrative expense rate	30.04%	28.36%	28.50%	28.18%
Number of stores operated at end of quarter	<u>645</u>	<u>692</u>	<u>645</u>	<u>692</u>
Number of franchised stores served at end of quarter	<u>63</u>	<u>65</u>	<u>63</u>	<u>65</u>

- (1) Included in sales for the 12 and 40 weeks ended November 29, 2003 were wholesale sales to franchisees of \$187.2 million and \$615.4 million, respectively, compared to \$165.2 million and \$546.5 million for the 12 and 40 weeks ended November 30, 2002, respectively.
- (2) Cost of merchandise sold and store operating, general and administrative expense for the 12 and 40 week periods ended November 30, 2002 and store operating, general and administrative expense for the 12 and 40 weeks ended November 29, 2003 include amounts related to the Company's asset disposition initiative announced during the third quarter of fiscal 2001. These amounts are detailed on Schedules 2 and 3 attached.
- (3) During the 12 and 40 weeks ended November 29, 2003, the Company recorded \$60.1 million in impairment charges relating to Farmer Jack's long lived assets and goodwill. This amount was determined through internal analysis and an external valuation performed by an independent third party appraiser, primarily using the discounted cash flow approach.
- (4) During the 40 weeks ended November 30, 2002, the Company purchased in the open market \$38 million of its 7.75% Notes due April 15, 2007. As a result, the Company recognized a pretax loss of \$0.7 million (\$0.4 million net of tax benefit of \$0.3 million) during the 40 weeks ended November 30, 2002.
- (5) Provision for income taxes for the 12 and 40 week periods ended November 30, 2002 includes a charge to record a valuation allowance for the Company's entire U.S. deferred tax asset as a result of an assessment of the likelihood of future recognition of such deferred tax assets.
- (6) In February and March 2003, the Company decided to sell its operations located in Northern New England, Madison and Milwaukee, Wisconsin as well as its Eight O'Clock Coffee business. In April 2003, the Company completed the sale of its stores in Northern New England and Madison, Wisconsin, generating proceeds of \$137.6 million and resulting in a gain of \$81.4 million (\$47.2 million after tax). In November 2003, the Company completed the sale of its Eight O'Clock Coffee business, generating proceeds of \$107.5 million and resulting in a gain of \$75.1 million (\$43.6 million after tax). In addition, during the third quarter of fiscal 2003, the Company sold several of the previously closed Kohl's stores, generating proceeds of \$10.4 million and a gain of \$6.4 million (\$3.7 million after tax).

**The Great Atlantic & Pacific Tea Company, Inc.**  
**Schedule 2 - Adjustments to GAAP Earnings for the 12 Weeks Ended November 29, 2003 and November 30, 2002**  
**(Unaudited)**  
**(In thousands, except share amounts and store data)**

	12 Weeks Ended November 29, 2003			12 Weeks Ended November 30, 2002	
	Asset Disposition Initiative	Goodwill / Long-Lived Asset Impairment	Total adjustments	Asset Disposition Initiative	Total adjustments
Sales	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of merchandise sold	-	-	-	(243)	(243)
Gross margin	-	-	-	(243)	(243)
Store operating, general and administrative expense	124	(60,082)	(59,958)	11,371	11,371
Income (loss) from operations	124	(60,082)	(59,958)	11,128	11,128
Interest expense	-	-	-	-	-
Interest income	-	-	-	-	-
Income (loss) from continuing operations before income taxes	124	(60,082)	(59,958)	11,128	11,128
(Provision for) benefit from income taxes	(348)	-	(348)	4	4
(Loss) income from continuing operations	(224)	(60,082)	(60,306)	11,132	11,132
Discontinued operations:					
(Loss) income from operations of discontinued businesses, net of tax	-	-	-	-	-
Gain on disposal of discontinued operations, net of tax	-	-	-	-	-
Income from discontinued operations	-	-	-	-	-
Net (loss) income	<u>\$ (224)</u>	<u>\$ (60,082)</u>	<u>\$ (60,306)</u>	<u>\$ 11,132</u>	<u>\$ 11,132</u>
Net (loss) income per share - basic and diluted:					
Continuing operations	\$ (0.01)	\$ (1.56)	\$ (1.57)	\$ 0.29	\$ 0.29
Discontinued operations	-	-	-	-	-
Net (loss) income per share - basic and diluted	<u>\$ (0.01)</u>	<u>\$ (1.56)</u>	<u>\$ (1.57)</u>	<u>\$ 0.29</u>	<u>\$ 0.29</u>
Weighted average common shares outstanding - basic	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,515,806</u>	<u>38,515,806</u>
Weighted average common shares outstanding - diluted	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,515,806</u>	<u>38,515,806</u>

**The Great Atlantic & Pacific Tea Company, Inc.**  
**Schedule 3 - Adjustments to GAAP Earnings for the 40 Weeks Ended November 29, 2003 and November 30, 2002**  
(Unaudited)  
(In thousands, except share amounts and store data)

	40 Weeks Ended November 29, 2003			40 Weeks Ended November 30, 2002				
	Asset Disposition Initiative	Goodwill / Long-Lived Asset Impairment	Total adjustments	Asset Disposition Initiative	Loss on early extinguishment of debt	Deferred Tax Asset Valuation Allowance	Gain on proceeds from the demutualization of a mutual insurance company	Total adjustments
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of merchandise sold	-	-	-	(1,263)	-	-	-	(1,263)
Gross margin	-	-	-	(1,263)	-	-	-	(1,263)
Store operating, general and administrative expense	5,354	(60,082)	(54,728)	4,125	(684)	-	1,717	5,158
Income (loss) from operations	5,354	(60,082)	(54,728)	2,862	(684)	-	1,717	3,895
Interest expense	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-
Income (loss) from continuing operations before income taxes	5,354	(60,082)	(54,728)	2,862	(684)	-	1,717	3,895
(Provision for) benefit from income taxes	(348)	-	(348)	3,400	287	(133,962)	(721)	(130,996)
Income (loss) from continuing operations	5,006	(60,082)	(55,076)	6,262	(397)	(133,962)	996	(127,101)
Discontinued operations:								
(Loss) income from operations of discontinued businesses, net of tax	-	-	-	-	-	-	-	-
Gain on disposal of discontinued operations, net of tax	-	-	-	-	-	-	-	-
Income from discontinued operations	-	-	-	-	-	-	-	-
Net income (loss)	<u>\$ 5,006</u>	<u>\$ (60,082)</u>	<u>\$ (55,076)</u>	<u>\$ 6,262</u>	<u>\$ (397)</u>	<u>\$ (133,962)</u>	<u>\$ 996</u>	<u>\$ (127,101)</u>
Net income (loss) per share - basic and diluted:								
Continuing operations	\$ 0.13	\$ (1.56)	\$ (1.43)	\$ 0.16	\$ (0.01)	\$ (3.48)	\$ 0.03	\$ (3.30)
Discontinued operations	-	-	-	-	-	-	-	-
Net income (loss) per share - basic and diluted	<u>\$ 0.13</u>	<u>\$ (1.56)</u>	<u>\$ (1.43)</u>	<u>\$ 0.16</u>	<u>\$ (0.01)</u>	<u>\$ (3.48)</u>	<u>\$ 0.03</u>	<u>\$ (3.30)</u>
Weighted average common shares outstanding - basic	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>
Weighted average common shares outstanding - diluted	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>

**The Great Atlantic & Pacific Tea Company, Inc.**  
**Schedule 4 - Adjustments to GAAP Earnings for the 12 Weeks Ended November 29, 2003 and November 30, 2002**  
**(Unaudited)**  
**(In thousands, except share amounts and store data)**

	12 Weeks Ended November 29, 2003			12 Weeks Ended November 30, 2002		
	GAAP Earnings	Adjustments to be (added) subtracted (See Schedule 2)	Earnings as Adjusted	GAAP Earnings	Adjustments to be (added) subtracted (See Schedule 2)	Earnings as Adjusted
	Sales	\$ 2,465,295	\$ -	\$ 2,465,295	\$ 2,310,775	\$ -
Cost of merchandise sold	(1,809,234)	-	(1,809,234)	(1,666,823)	(243)	(1,666,580)
Gross margin	656,061	-	656,061	643,952	(243)	644,195
Store operating, general and administrative expense	(740,493)	(59,958)	(680,535)	(655,232)	11,371	(666,603)
(Loss) income from operations	(84,432)	(59,958)	(24,474)	(11,280)	11,128	(22,408)
Interest expense	(18,383)	-	(18,383)	(19,816)	-	(19,816)
Interest income	1,384	-	1,384	1,231	-	1,231
(Loss) income from continuing operations before income taxes	(101,431)	(59,958)	(41,473)	(29,865)	11,128	(40,993)
Benefit from (provision for) income taxes	28,773	(348)	29,121	(1,999)	4	(2,003)
(Loss) income from continuing operations	(72,658)	(60,306)	(12,352)	(31,864)	11,132	(42,996)
Discontinued operations:						
Income from operations of discontinued businesses, net of tax	286	-	286	2,132	-	2,132
Gain on disposal of discontinued operations, net of tax	47,270	-	47,270	-	-	-
Income from discontinued operations	47,556	-	47,556	2,132	-	2,132
Net (loss) income	<u>\$ (25,102)</u>	<u>\$ (60,306)</u>	<u>\$ 35,204</u>	<u>\$ (29,732)</u>	<u>\$ 11,132</u>	<u>\$ (40,864)</u>
Net (loss) income per share - basic and diluted:						
Continuing operations	\$ (1.89)	\$ (1.57)	\$ (0.32)	\$ (0.83)	\$ 0.29	\$ (1.12)
Discontinued operations	1.23	-	1.23	0.06	-	0.06
Net (loss) income per share - basic and diluted	<u>\$ (0.65)</u>	<u>\$ (1.57)</u>	<u>\$ 0.91</u>	<u>\$ (0.77)</u>	<u>\$ 0.29</u>	<u>\$ (1.06)</u>
Weighted average common shares outstanding - basic	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,515,806</u>	<u>38,515,806</u>	<u>38,515,806</u>
Weighted average common shares outstanding - diluted	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,517,218</u>	<u>38,515,806</u>	<u>38,515,806</u>	<u>38,515,806</u>
Gross margin rate	<u>26.61%</u>		<u>26.61%</u>	<u>27.87%</u>		<u>27.88%</u>
Store operating, general and administrative expense rate	<u>30.04%</u>		<u>27.60%</u>	<u>28.36%</u>		<u>28.85%</u>
Depreciation and amortization	<u>\$ 63,383</u>		<u>\$ 63,383</u>	<u>\$ 58,016</u>		<u>\$ 58,016</u>
<i>Reconciliation of GAAP cash flow measure to adjusted EBITDA:</i>						
Net cash used in operating activities		\$ (35,628)				\$ (24,418)
Net interest expense			16,999			18,585
Adjustments from GAAP earnings			60,306			(11,132)
Deferred income tax benefit (provision)			31,370			630
Working capital changes			47,336			43,292
Other non-current liabilities			8,448			14,223
Long lived assets / goodwill impairment charge			(60,082)			-
Other, net			(29,840)			(5,572)
Adjusted EBITDA			<u>\$ 38,909</u>			<u>\$ 35,608</u>

**The Great Atlantic & Pacific Tea Company, Inc.**  
**Schedule 3 - Adjustments to GAAP Earnings for the 40 Weeks Ended November 29, 2003 and November 30, 2002**  
**(Unaudited)**  
**(In thousands, except share amounts and store data)**

	40 Weeks Ended November 29, 2003			40 Weeks Ended November 30, 2002				
	Asset Disposition Initiative	Goodwill / Long-Lived Asset Impairment	Total adjustments	Asset Disposition Initiative	Loss on early extinguishment of debt	Deferred Tax Asset Valuation Allowance	Gain on proceeds from the demutualization of a mutual insurance company	Total adjustments
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of merchandise sold	-	-	-	(1,263)	-	-	-	(1,263)
Gross margin	-	-	-	(1,263)	-	-	-	(1,263)
Store operating, general and administrative expense	5,354	(60,082)	(54,728)	4,125	(684)	-	1,717	5,158
Income (loss) from operations	5,354	(60,082)	(54,728)	2,862	(684)	-	1,717	3,895
Interest expense	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-
Income (loss) from continuing operations before income taxes	5,354	(60,082)	(54,728)	2,862	(684)	-	1,717	3,895
(Provision for) benefit from income taxes	(348)	-	(348)	3,400	287	(133,962)	(721)	(130,996)
Income (loss) from continuing operations	5,006	(60,082)	(55,076)	6,262	(397)	(133,962)	996	(127,101)
Discontinued operations:								
(Loss) income from operations of discontinued businesses, net of tax	-	-	-	-	-	-	-	-
Gain on disposal of discontinued operations, net of tax	-	-	-	-	-	-	-	-
Income from discontinued operations	-	-	-	-	-	-	-	-
Net income (loss)	<u>\$ 5,006</u>	<u>\$ (60,082)</u>	<u>\$ (55,076)</u>	<u>\$ 6,262</u>	<u>\$ (397)</u>	<u>\$ (133,962)</u>	<u>\$ 996</u>	<u>\$ (127,101)</u>
Net income (loss) per share - basic and diluted:								
Continuing operations	\$ 0.13	\$ (1.56)	\$ (1.43)	\$ 0.16	\$ (0.01)	\$ (3.48)	\$ 0.03	\$ (3.30)
Discontinued operations	-	-	-	-	-	-	-	-
Net income (loss) per share - basic and diluted	<u>\$ 0.13</u>	<u>\$ (1.56)</u>	<u>\$ (1.43)</u>	<u>\$ 0.16</u>	<u>\$ (0.01)</u>	<u>\$ (3.48)</u>	<u>\$ 0.03</u>	<u>\$ (3.30)</u>
Weighted average common shares outstanding - basic	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>
Weighted average common shares outstanding - diluted	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,516,489</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>	<u>38,488,514</u>

**The Great Atlantic & Pacific Tea Company, Inc.**  
**Schedule 6 - Condensed Balance Sheet Data**  
**(Unaudited)**  
**(In millions, except per share and store data)**

	<u>November 29, 2003</u>	<u>February 22, 2003</u>
Cash and short-term investments	\$216	\$199
Other current assets	<u>919</u>	<u>901</u>
Total current assets	1,135	1,100
Property-net	1,501	1,609
Other assets	<u>142</u>	<u>176</u>
Total assets	<u><u>\$2,778</u></u>	<u><u>\$2,885</u></u>
Total current liabilities	\$1,177	\$1,091
Total non-current liabilities	1,145	1,296
Stockholders' equity	<u>456</u>	<u>498</u>
Total liabilities and stockholders' equity	<u><u>\$2,778</u></u>	<u><u>\$2,885</u></u>
<u>Other Statistical Data</u>		
Total Debt and Capital Leases	\$786	\$926
Temporary Investments	<u>74</u>	<u>78</u>
Net Debt	\$712	\$848
Total Retail Square Footage (in thousands)	25,159	26,818
Book Value Per Share	\$11.84	\$12.93
	<u>For the 40</u> <u>weeks ended</u> <u>November 29, 2003</u>	<u>For the 40</u> <u>weeks ended</u> <u>November 30, 2002</u>
Capital Expenditures	\$109	\$182