

The Great Atlantic & Pacific Tea Company, Inc.
Schedule 1 - GAAP Earnings for the 16 weeks ended June 18, 2005 and June 19, 2004
(Unaudited)

(In thousands, except share amounts and store data)

| | 16 Weeks Ended | |
|-------------------------------------------------------------|----------------|----------------------------------------------------|
| | June 18, 2005 | June 19, 2004 <i>As Restated ⁽¹⁾</i> |
| Sales | \$ 3,383,633 | \$ 3,280,299 |
| Cost of merchandise sold | (2,445,675) | (2,360,303) |
| Gross margin | 937,958 | 919,996 |
| Store operating, general and administrative expense | (976,687) | (921,074) |
| Loss from operations ⁽²⁾ | (38,729) | (1,078) |
| Interest expense | (36,123) | (34,392) |
| Interest income | 1,186 | 841 |
| Minority interest in earnings of consolidated franchisees | (1,536) | (1,376) |
| Loss from continuing operations before income taxes | (75,202) | (36,005) |
| Provision for income taxes | (13,865) | (5,458) |
| Loss from continuing operations | (89,067) | (41,463) |
| Discontinued operations: | | |
| Loss from operations of discontinued businesses, net of tax | (168) | (1,383) |
| Gain on disposal of discontinued operations, net of tax | - | - |
| Loss from discontinued operations | (168) | (1,383) |
| Net loss | \$ (89,235) | \$ (42,846) |
| Net loss per share - basic and diluted: | | |
| Continuing operations | \$ (2.27) | \$ (1.08) |
| Discontinued operations | (0.01) | (0.03) |
| Net loss per share - basic and diluted | \$ (2.28) | \$ (1.11) |
| Weighted average common shares outstanding: | | |
| Basic | 39,201,114 | 38,520,018 |
| Diluted | 39,201,114 | 38,520,018 |
| Gross margin rate | 27.72% | 28.05% |
| Store operating, general and administrative expense rate | 28.87% | 28.08% |
| Depreciation and amortization | \$ 71,875 | \$ 80,846 |
| <i>Reconciliation of GAAP cash flow measure to EBITDA:</i> | | |
| Net cash provided by operating activities | \$ 1,231 | \$ 38,846 |
| Net interest expense | 34,937 | 33,551 |
| Restructuring charge | (48,549) | 0 |
| Deferred income taxes | (5,430) | (1,012) |
| <u>Working capital changes</u> | | |
| Accounts receivable | (16,477) | (24,840) |
| Inventories | 20,747 | 22,822 |
| Prepaid expenses and other current assets | 2,779 | 14,887 |
| Accounts payable | (6,824) | (55,635) |
| Accrued salaries, wages, benefits and taxes | 19,054 | 6,813 |
| Other accruals | 7,277 | 27,899 |
| Other assets | 434 | (362) |
| Other non-current liabilities | 11,689 | 12,415 |
| Other, net | 12,278 | 4,384 |
| EBITDA | \$ 33,146 | \$ 79,768 |
| Number of stores operated at end of quarter | 637 | 628 |
| Number of franchised stores served at end of quarter | 42 | 66 |

(1) As previously reported, prior year results have been restated for changes in our accounting for leases primarily to correct the Company's accounting for landlord allowances.

(2) Loss from operations includes charges totaling \$68 million related to certain items that the Company believes are of a non-operating nature. These items include \$50 million in restructuring costs, primarily related to the sale of the U.S. distribution operations to C&S, \$15 million related to Midwest exit costs, and \$3 million related to the Canadian dollar hedge.

The Great Atlantic & Pacific Tea Company, Inc.
Schedule 2 - Condensed Balance Sheet Data
(Unaudited)
(In millions, except per share and store data)

| | <u>June 18, 2005</u> | <u>February 26, 2005</u> |
|--------------------------------------------|-----------------------|--------------------------|
| Cash and short-term investments | \$171 | \$258 |
| Other current assets | <u>1,543</u> | <u>907</u> |
| Total current assets | 1,714 | 1,165 |
| Property-net | 1,003 | 1,516 |
| Other assets | <u>56</u> | <u>121</u> |
| Total assets | <u><u>\$2,773</u></u> | <u><u>\$2,802</u></u> |
| Total current liabilities | \$1,230 | \$1,078 |
| Total non-current liabilities | 1,388 | 1,490 |
| Stockholders' equity | <u>155</u> | <u>234</u> |
| Total liabilities and stockholders' equity | <u><u>\$2,773</u></u> | <u><u>\$2,802</u></u> |

Other Statistical Data

| | | |
|--------------------------------------------|-------------|--------------|
| Total Debt and Capital Leases | \$689 | \$697 |
| Total Long Term Real Estate Liabilities | 330 | 328 |
| Temporary Investments | <u>(74)</u> | <u>(104)</u> |
| Net Debt | \$945 | \$921 |
| Total Retail Square Footage (in thousands) | 25,257 | 25,583 |
| Book Value Per Share | \$3.86 | \$6.03 |

| | <u>For the 16 weeks ended June 18, 2005</u> | <u>For the 16 weeks ended June 19, 2004</u> |
|----------------------|-----------------------------------------------------|-----------------------------------------------------|
| Capital Expenditures | \$70 | \$61 |