

**Whole Foods Market, Inc.**  
**Consolidated Statements of Cash Flows**  
(In thousands)

	1st Qtr January 17, 2010	2nd Qtr April 11, 2010	3rd Qtr July 04, 2010	4th Qtr September 26, 2010	YTD 2010
<b>Cash flows from operating activities</b>					
Net income	\$ 55,155	\$ 67,451	\$ 65,729	\$ 57,498	\$ 245,833
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	83,701	63,094	64,278	64,516	275,589
Loss (gain) on disposition of fixed assets	529	(2,701)	1,416	586	(170)
Impairment of long-lived assets	1,730	145	145	217	2,237
Share-based payment expense	5,241	3,932	6,198	7,523	22,894
LIFO expense (benefit)	195	(3,000)	(3,714)	(1,151)	(7,670)
Deferred income tax expense (benefit)	(1,584)	(6,189)	595	(26,356)	(33,534)
Excess tax benefit related to exercise of team member stock options	(81)	(1,763)	(973)	(165)	(2,982)
Deferred lease liabilities	10,717	9,237	11,368	8,314	39,636
Other	(3,100)	(795)	2,216	(692)	(2,371)
Net change in current assets and liabilities:					
Accounts receivable	(8,812)	(8,769)	(32)	(10,834)	(28,447)
Merchandise inventories	(12,547)	9,813	(11,824)	11,510	(3,048)
Prepaid expenses and other current assets	10,041	329	(2,760)	(9,250)	(1,640)
Accounts payable	(2,619)	20,184	(3,843)	9,732	23,454
Accrued payroll, bonus and other benefits due team members	20,351	(5,371)	12,791	8,362	36,133
Other current liabilities	(5,030)	38,372	(21,319)	8,007	20,030
Net change in other long-term liabilities	7,590	(2,463)	(2,324)	(3,462)	(659)
<b>Net cash provided by operating activities</b>	<b>161,477</b>	<b>181,506</b>	<b>117,947</b>	<b>124,355</b>	<b>585,285</b>
<b>Cash flows from investing activities</b>					
Development costs of new locations	(59,273)	(51,693)	(32,413)	(28,000)	(171,379)
Other property and equipment expenditures	(23,257)	(12,798)	(20,333)	(29,026)	(85,414)
Purchase of available-for-sale securities	(264,782)	(350,710)	(273,455)	(183,296)	(1,072,243)
Sale of available-for-sale securities	17,205	175,480	344,109	109,800	646,594
Decrease (increase) in restricted cash	(16,191)	7	393	12	(15,779)
Payment for the purchase of acquired entities, net of cash acquired	-	-	(14,450)	(20)	(14,470)
Other investing activities	(475)	(573)	(27)	(1,640)	(2,715)
<b>Net cash provided by (used in) investing activities</b>	<b>(346,773)</b>	<b>(240,287)</b>	<b>3,824</b>	<b>(132,170)</b>	<b>(715,406)</b>
<b>Cash flows from financing activities</b>					
Preferred stock dividends paid	(8,500)	-	-	-	(8,500)
Issuance of common stock	3,962	30,359	9,575	3,066	46,962
Excess tax benefit related to exercise of team member stock options	81	1,763	973	165	2,982
Payment on long-term debt and capital lease obligations	3	(113)	(210,118)	(122)	(210,350)
<b>Net cash provided by (used in) financing activities</b>	<b>(4,454)</b>	<b>32,009</b>	<b>(199,570)</b>	<b>3,109</b>	<b>(168,906)</b>
Effect of exchange rate changes on cash and cash equivalents	1,032	569	(1,266)	558	893
Net change in cash and cash equivalents	(188,718)	(26,203)	(79,065)	(4,148)	(298,134)
<b>Cash and cash equivalents at beginning of period</b>	<b>430,130</b>	<b>241,412</b>	<b>215,209</b>	<b>136,144</b>	<b>430,130</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 241,412</b>	<b>\$ 215,209</b>	<b>\$ 136,144</b>	<b>\$ 131,996</b>	<b>\$ 131,996</b>
<b>Supplemental disclosure of cash flow information:</b>					
Interest paid	\$ 19,375	\$ 9,278	\$ 9,841	\$ 662	\$ 39,156
Federal and state income taxes paid	\$ 41,483	\$ 37,133	\$ 57,579	\$ 56,849	\$ 193,044
<b>Non-cash transactions:</b>					
Conversion of redeemable preferred stock into common stock	\$ 418,247	\$ -	\$ -	\$ -	\$ 418,247

The notes in the Company's Form 10-K for fiscal year 2009 are an integral part of these condensed consolidated financial statements.