

**Whole Foods Market, Inc.**  
**Consolidated Statements of Cash Flows**  
September 25, 2005  
(In thousands)

	1st Qtr 2005	2nd Qtr 2005	3rd Qtr 2005	4th Qtr 2005 2005	Year-to_Date 2005
<b>Cash flows from operating activities:</b>					
Net income	\$ 46,170	40,734	40,387	\$ 9,060	\$ 136,351
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	39,667	30,782	30,560	32,750	133,759
Loss on disposal of fixed assets	515	792	3,537	11,042	15,886
Share-based compensation	-	-	1,742	17,393	19,135
Deferred income tax expense	(1,943)	-	-	(25,930)	(27,873)
Tax benefit related to exercise of employee stock options	9,199	18,486	14,673	20,285	62,643
Interest accretion on long-term debt	2,269	922	786	143	4,120
Deferred rent	3,481	5,307	7,126	166	16,080
Other	1,800	750	2,647	(3,880)	1,317
Net change in current assets and liabilities:					
Trade accounts receivable	2,775	933	(2,538)	(3,197)	(2,027)
Merchandise inventories	(13,297)	6,753	(14,110)	(832)	(21,486)
Prepaid expenses and other current assets	1,082	(6,360)	1,282	(155)	(4,151)
Trade accounts payable	4,309	6,652	1,062	574	12,597
Accrued payroll, bonus and employee benefits	13,109	3,082	8,264	1,990	26,445
Other accrued expenses	12,452	16,815	(8,773)	17,529	38,023
<b>Net cash provided by operating activities</b>	<b>121,588</b>	<b>125,648</b>	<b>86,645</b>	<b>76,938</b>	<b>410,819</b>
<b>Cash flows from investing activities:</b>					
Development costs of new store locations	(55,663)	(48,503)	(48,628)	(54,998)	(207,792)
Other property, plant and equipment expenditures	(29,403)	(22,988)	(29,768)	(34,159)	(116,318)
Acquisition of intangible assets	-	-	-	(1,500)	(1,500)
Notes receivable	-	-	13,500	-	13,500
Restricted cash	(10,052)	(186)	314	(208)	(10,132)
Payment for purchase of acquired entities, net of cash acquired	-	-	-	-	-
Other investing activities	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(95,118)</b>	<b>(71,677)</b>	<b>(64,582)</b>	<b>(90,865)</b>	<b>(322,242)</b>
<b>Cash flows from financing activities:</b>					
Net proceeds from long-term borrowings	-	-	-	-	-
Dividends paid	(9,416)	(12,088)	(16,346)	(16,833)	(54,683)
Payments on long-term debt and capital lease obligations	(84)	(21)	(5,767)	(61)	(5,933)
Issuance of common stock	12,765	27,939	30,181	14,931	85,816
<b>Net cash used in financing activities</b>	<b>3,265</b>	<b>15,830</b>	<b>8,068</b>	<b>(1,963)</b>	<b>25,200</b>
<b>Cash flows from discontinued operations:</b>					
Net cash provided by discontinued operations	-	-	-	-	-
Net increase in cash and cash equivalents	29,735	69,801	30,131	(15,890)	113,777
Cash and cash equivalents at beginning of year	194,747	224,482	294,283	324,414	194,747
<b>Cash and cash equivalents at end of year</b>	<b>\$ 224,482</b>	<b>\$ 294,283</b>	<b>\$ 324,414</b>	<b>\$ 308,524</b>	<b>\$ 308,524</b>
<b>Supplemental disclosure of cash flow information</b>					
Interest paid	\$ 364	\$ 270	\$ 276	\$ 153	\$ 1,063
Federal and state income taxes paid	\$ 13,070	\$ 876	\$ 34,485	\$ 26,275	\$ 74,706
<b>Non-cash transactions:</b>					
Common stock issued in connection with acquisition	\$ -	\$ -	\$ -	\$ -	\$ -
Conversion of convertible debentures into common stock	\$ 70,502	\$ 11,546	\$ 65,254	\$ 492	\$ 147,794

The notes in the company's Form 10K for fiscal 2005, to be filed before December 9, 2005, are an integral part of these condensed consolidated financial statements.