

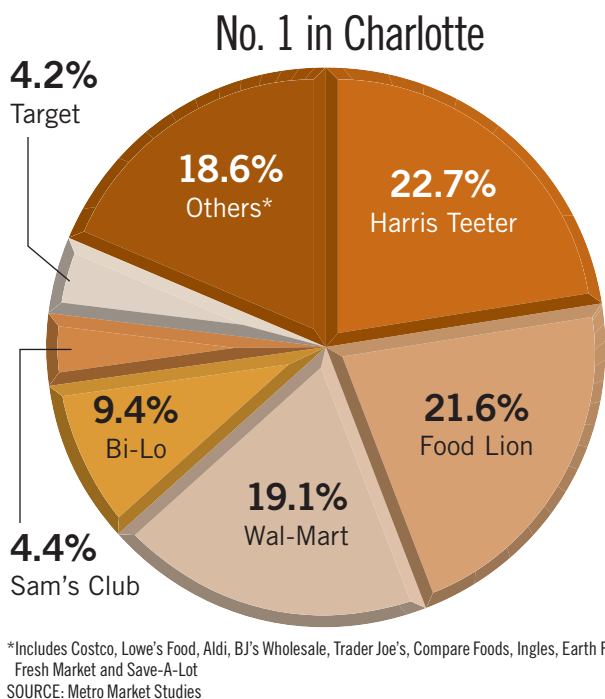
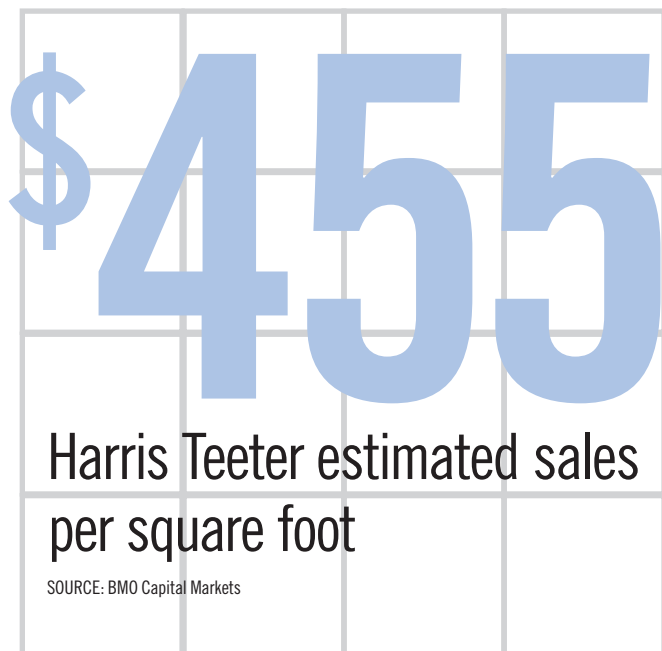
# DATAPOINTS

## Harris Teeter, By the Numbers

Ahold could be the most likely strategic buyer for Harris Teeter, according to Karen Short, a New York-based analyst with BMO Capital Markets. In a presentation last week, Short explained that Ahold's financial condition, its footprint — largely contiguous to Harris Teeter's geography in the Carolinas, Tennessee and Virginia — and its experience running both union and nonunion stores, among other things, make it a more logical suitor than either Kroger Co. or Publix Super Markets. As previously reported, Harris Teeter earlier this month disclosed that it had

been approached by private equity investors interested in acquiring the 208-store, upscale chain. It would be an unusual investment for private equity, Short noted, given Harris Teeter's leased store sites — as opposed to owned locations — and its relatively strong operating performance. Publix, based in Lakeland, Fla., recently began expansion into the Charlotte market, where Harris Teeter is the No. 1 operator and has nearly a fourth of its locations.

**SOURCE: BMO Capital Markets, Metro Market Studies**



“In the event a transaction were to, in fact, occur, we believe valuation would have to be in the \$50 range — a 22% premium to the current price — for total consideration in the \$2.5 billion range.”  
— KAREN SHORT, analyst, BMO Capital Markets



**Top Harris Teeter Markets**  
(By number of stores)

MARKET	NO. OF STORES	MARKET SHARE
Charlotte, N.C.	47	22.7%
Washington, D.C.	30	4.8%
Raleigh-Cary, N.C.	26	17.9%
Virginia Beach/Norfolk/ Newport News	12	6.7%
Greensboro-High Point, N.C.	11	16.5%
Wilmington, N.C.	10	21.4%
Raleigh-Durham, N.C.	9	16.6%
Winston-Salem, N.C.	8	15.6%
Charleston, S.C.	7	9.4%
Nashville, Tenn.	5	2.8%

SOURCE: Metro Market Studies

