PetSmart, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(in thousands, except per share and store data)
(Unaudited)

	Thirteen Weeks Ended		Thirteen Weeks Ended	
	April 29, 2007	% of Sales	April 30, 2006	% of Sales
Net sales	$ 1,111,625	100.00%	$ 1,011,529	100.00%
Cost of sales	773,146	69.55%	701,449	69.35%
Gross profit	338,479	30.45%	310,080	30.65%
Operating, general and administrative expenses	261,894	23.56%	235,401	23.27%
Operating income	76,585	6.89%	74,679	7.38%
Gain on sale of investments	95,363	8.58%	-	0.00%
Interest expense, net	(8,825)	-0.79%	(6,733)	-0.67%
Income before income tax expense and equity in income from investee	163,123	14.67%	67,946	6.72%
Income tax expense	(56,641)	-5.10%	(26,182)	-2.59%
Equity in income from investee	225	0.02%	-	0.00%
Net income	$ 106,707	9.60%	$ 41,764	4.13%
Basic earnings per share	$ 0.80		$ 0.30	
Diluted earnings per share	$ 0.78		$ 0.30	
Weighted average shares outstanding - basic	133,316		137,449	
Weighted average shares outstanding - diluted	136,672		141,088	
Stores open at beginning of each period	908		826	
Stores opened during each period	23		20	
Stores closed during each period	(3)		(4)	
Stores open at end of each period	928		842	

PetSmart, Inc. and Subsidiaries
Reconciliation of non-GAAP to GAAP Measures
(In thousands, except per share data)
(Unaudited)

	Thirteen Weeks Ended April 29, 2007					
			Reconciling items			
	As Reported (GAAP)		Equine product line exit	Sale of MMIH stock	Non-GAAP	
Net sales	$ 1,111,625	100.00%	$ -	$ -	$ 1,111,625	100.00%
Cost of sales	773,146	69.55%	(2,070)	-	771,076	69.36%
Gross profit	338,479	30.45%	2,070	-	340,549	30.64%
Operating, general and administrative expenses	261,894	23.56%	(4,234)	-	257,660	23.18%
Operating income	76,585	6.89%	6,304	-	82,889	7.46%
Gain on sale of investments	95,363	8.58%	-	(95,363)	-	0.00%
Interest expense, net	(8,825)	-0.79%	-	-	(8,825)	-0.79%
Income before income tax expense and equity in income from investee	163,123	14.67%	6,304	(95,363)	74,064	6.66%
Income tax expense	(56,641)	-5.10%	(2,499)	31,026	(28,114)	-2.53%
Equity in income from investee	225	0.02%	-	-	225	0.02%
Net income	$ 106,707	9.60%	$ 3,805	$ (64,337)	$ 46,175	4.15%
Basic earnings per share	$ 0.80				$ 0.35	
Diluted earnings per share	$ 0.78				$ 0.34	
Weighted average shares outstanding - basic	133,316				133,316	
Weighted average shares outstanding - diluted	136,672				136,672	

PetSmart, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(in thousands)
(Unaudited)

	April 29, 2007	January 28, 2007
Assets		
Cash and cash equivalents	$ 118,909	$ 148,799
Short-term investments	164,135	19,200
Restricted cash and short-term investments	80,000	60,700
Receivables, net	57,439	36,541
Merchandise inventories	461,744	487,400
Other current assets	104,566	90,629
Total current assets	986,793	843,269
Property and equipment, net	1,059,088	1,032,421
Deferred income taxes	91,847	97,648
Other noncurrent assets	64,661	80,139
Total assets	$ 2,202,389	$ 2,053,477
Liabilities and Stockholders' Equity		
Accounts payable and bank overdraft	$ 187,546	$ 179,638
Other current liabilities	345,765	321,077
Current maturities of capital lease obligations	18,312	17,667
Total current liabilities	551,623	518,382
Capital lease obligations	436,647	431,334
Deferred rents and other noncurrent liabilities	120,376	102,867
Total liabilities	1,108,646	1,052,583
Stockholders' equity	1,093,743	1,000,894
Total liabilities and stockholders' equity	$ 2,202,389	$ 2,053,477