WEIS MARKETS INC
Form 10-K
March 14, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended **December 29, 2012**

OR

.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from __________to_________

Commission File Number 1-5039

WEIS MARKETS, INC.

(Exact name of registrant as specified in its charter)

PENNSYLVANIA	24-0755415
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1000 S. Second Street	
P. O. Box 471	
Sunbury, Pennsylvania	17801-0471
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code: (570) 286-4571	Registrant's web address: www.weismarkets.com

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common stock, no par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ¨ No x

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No x

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨	Accelerated filer x
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ¨ No x

The aggregate market value of Common Stock held by non-affiliates of the Registrant is approximately $537,000,000 as of June 30, 2012 the last business day of the most recently completed second quarter.

Shares of common stock outstanding as of March 14, 2013 - 26,898,443.

DOCUMENTS INCORPORATED BY REFERENCE: Selected portions of the Weis Markets, Inc. definitive proxy statement dated March 14, 2013 are incorporated by reference in Part III of this Form 10-K.

WEIS MARKETS, INC.

TABLE OF CONTENTS

WEIS MARKETS, INC.

PART I

Item 1. Business:

Weis Markets, Inc. is a Pennsylvania business founded by Harry and Sigmund Weis in 1912 and incorporated in 1924. The Company is engaged principally in the retail sale of food in Pennsylvania and surrounding states. There was no material change in the nature of the Company's business during fiscal 2012. The Company’s stock has been traded on the New York Stock Exchange since 1965 under the symbol “WMK.” The Weis family currently owns approximately 65% of the outstanding shares. Robert F. Weis serves as Chairman of the Board of Directors, and Jonathan H. Weis, son of Robert F. Weis, serves as Vice Chairman and Secretary.

The Company's retail food stores sell groceries, dairy products, frozen foods, meats, seafood, fresh produce, floral, pharmacy services, deli products, prepared foods, bakery products, beer and wine, fuel and general merchandise items, such as health and beauty care and household products. In addition, some stores offer third party services including: in-store banks, post offices and take-out restaurants. The Company advertises its products and promotes its brand through weekly newspaper circulars; radio and television ads; e-mail blasts; and on-line via its website, social media and mobile applications. Printed circulars are used extensively on a weekly basis to advertise featured items. The Company utilizes a loyalty card program, “Weis Club Preferred Shopper,” which allows customers to receive discounts, promotions and rewards. The Company currently owns and operates 165 retail food stores, two of which were opened in the beginning of 2013. The Company’s operations are reported as a single reportable segment.

The following table provides additional detail on the percentage of consolidated net sales contributed by product category for fiscal years 2012, 2011, and 2010, respectively:

	2012	2011	2010
Center Store (1)	59.5 %	59.9 %	60.9 %
Fresh (2)	28.1	27.9	27.7
Pharmacy Services	8.7	8.8	8.8
Fuel	3.5	3.1	2.3
Other	0.2	0.3	0.3
Consolidated net sales	100.0%	100.0%	100.0%

(1) Consists primarily of groceries, dairy products, frozen foods, beer and wine, and general merchandise items, such as health and beauty care and household products.

(2) Consists primarily of meats, seafood, fresh produce, floral, deli products, prepared foods and bakery products.

At the end of 2012, Weis Markets, Inc. operated 23 stores in Maryland, 3 stores in New Jersey, 11 stores in New York, 123 stores in Pennsylvania and 2 stores in West Virginia, for a total of 162 retail food stores operating under the Weis Markets trade name. Weis Markets, Inc. also operated one Save-A-Lot retail food store in Pennsylvania.

WEIS MARKETS, INC.

Item 1. Business: (continued)

All retail food store locations, except Save-A-Lot, operate as conventional supermarkets. Save-A-Lot's limited assortment format serves value-focused customers. The retail food stores range in size from 8,000 to 70,000 square feet, with an average size of approximately 49,000 square feet. The following summarizes the number of stores by size categories as of year-end:

Square feet	2012 Number of stores	2012 % of Total	2011 Number of stores	2011 % of Total
55,000 to 70,000	49	30 %	46	29 %
45,000 to 54,999	72	44 %	70	43 %
35,000 to 44,999	24	15 %	26	16 %
25,000 to 34,999	12	7 %	13	8 %
Under 25,000	6	4 %	6	4 %
Total	163	100 %	161	100 %

The following schedule shows the changes in the number of retail food stores, total square footage and store additions/remodels as of year-end:

	2012	2011	2010	2009	2008
Beginning store count	161	164	164	154	154
New stores (1)	4	1	—	11	1
Opened relocated stores	1	1	—	—	—
Closed stores	(2)	(4)	—	(1)	(1)
Closed relocated stores	(1)	(1)	—	—	—
Ending store count	163	161	164	164	154
Total square feet (000's), at year-end	8,054	7,877	7,887	7,888	7,402
Additions/major remodels	13	9	4	5	8

(1) On June 11, 2012, Weis Markets, Inc. acquired three former Genuardi's stores located in Conshohocken, Doylestown and Norristown, Pennsylvania from Safeway Inc. On August 23, 2009, the Company acquired eleven Giant Markets stores located in Broome County, New York including units in Binghamton, Vestal, Endicott, Endwell and Johnson City.

The Company supports its retail operations through a centrally located distribution facility, its own transportation fleet, three manufacturing facilities and its administrative offices. The Company is required to use a significant amount of working capital to provide for the necessary amount of inventory to meet demand for its products through efficient use of buying power and effective utilization of space in its distribution facilities. The manufacturing facilities consist of a meat processing plant, an ice cream plant and a milk processing plant.

The Company operates in a highly competitive market place. The number and the variety of competitors vary by market. The Company’s principal competition consists of international, national, regional and local food chains, as well as independent food stores. The Company also faces substantial competition from convenience stores, membership warehouse clubs, specialty retailers, supercenters and large-scale drug and pharmaceutical chains. The Company continues to effectively compete by offering a strong combination of value, quality and service.

The Company currently employs approximately 17,400 full-time and part-time associates.

WEIS MARKETS, INC.

Item 1. Business: (continued)

Trade Names and Trademarks. The Company has invested significantly in the development and protection of “Weis Markets” both as a trade name and a trademark and considers it to be an important asset. The Company is the exclusive licensee of more than 60 other trademarks registered and/or pending in the United States Patent and Trademark Office from WMK Holdings, Inc., including trademarks for its product lines and promotions such as Weis, Weis 2 Go, Weis Wonder Chicken, Price Freeze, Weis Gas-n-Go, From The Field, and Healthy Bites. Each trademark registration is for an initial period of 10 years and may be renewed so long as it is in continued use in commerce.

The Company considers its trademarks to be of material importance to its business and actively defends and enforces its rights.

The Company maintains a corporate web site at *www.weismarkets.com*. The Company makes available, free of charge, on the “Corporate Information” section of its web site, its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after the Company electronically files such material or furnishes it to the U.S. Securities and Exchange Commission (SEC) by clicking on the “SEC Information” link.

The Company’s Corporate Governance materials can be found in the “Corporate Information” section of the Company’s web site. These materials include the corporate governance guidelines; the charters of the Audit, Compensation and Disclosure Committees; and both the Code of Business Conduct and Ethics and the Code of Ethics for the CEO and CFO. A copy of the foregoing corporate governance materials is available upon written request to the Company’s principal executive offices.

Item 1a. Risk Factors:

In addition to risks and uncertainties in the ordinary course of business common to all businesses, important factors are listed below specific to the Company and its industry, which could materially impact its future performance.

The Company’s industry is highly competitive. If the Company is unable to compete effectively, the Company’s financial condition and results of operations could be materially affected.

The retail food industry is intensely price competitive, and the competition the Company encounters may have a negative impact on product retail prices. The financial results may be adversely impacted by a competitive environment that could cause the Company to reduce retail prices without a reduction in its product cost to maintain market share; thus reducing sales and gross profit margins.

The trade area of the Company is located within a region and is subject to the economic, social and climate variables of that region.

The Company’s stores are concentrated in central and northeast Pennsylvania, central Maryland, suburban Baltimore regions and the Southern Tier of New York. Changes in economic and social conditions in the Company’s operating regions, including fluctuations in the inflation rate along with changes in population and employment and job growth rates, affect customer shopping habits. These changes may negatively impact sales and earnings. Business disruptions due to weather and catastrophic events historically have been few. The Company’s geographic regions could receive an extreme variance in the amount of annual snowfall that may materially affect sales and expense results.

The Company may be unable to retain key management personnel.

The Company's success depends to a significant degree upon the continued contributions of senior management. The loss of any key member of management may prevent the Company from implementing its business plans in a timely manner. In addition, employment conditions specifically may affect the Company’s ability to hire and train qualified associates.

WEIS MARKETS, INC.

Item 1a. Risk Factors: (continued)

Food safety issues could result in the loss of consumer confidence in the Company.

Customers count on the Company to provide them with wholesome food products. Concerns regarding the safety of food products sold in its stores could cause shoppers to avoid purchasing certain products from the Company, or to seek alternative sources of supply for all of their food needs, even if the basis for the concern is outside of the Company’s control. Any lost confidence on the part of its customers would be difficult and costly to reestablish. As such, any issue regarding the safety of any food items sold by the Company, regardless of the cause, could have a substantial and adverse effect on operations.

The failure to execute expansion plans could have a material adverse effect on the Company's business and results of its operations.

Circumstances outside the Company’s control could negatively impact anticipated capital investments in store, distribution and manufacturing projects, information technology and equipment. The Company cannot determine with certainty whether its new stores will be successful. The failure to expand by successfully opening new stores as planned, or the failure of a significant number of these stores to perform as planned, could have a material adverse effect on the Company’s business and results of its operations.

Disruptions or security breaches in the Company’s information technology systems could adversely affect results.

The Company’s business is highly dependent on complex information technology systems that are vital to its continuing operations. If the Company was to experience difficulties maintaining existing systems or implementing new systems, significant losses could be incurred due to disruptions in its operations. Additionally, these systems contain valuable proprietary data that, if breached, would have an adverse effect on the Company.

The Company is affected by certain operating costs which could increase or fluctuate considerably.

Associate expenses contribute to the majority of the Company’s operating costs. The Company's financial performance is potentially affected by increasing wage and benefit costs, a competitive labor market, regulatory wage increases and the risk of unionized labor disruptions of its non-union workforce. The Company's profit is particularly sensitive to the cost of oil. Oil prices directly affect the Company's product transportation costs, as well as its utility and petroleum-based supply costs. It also affects the costs of its suppliers, which impacts its cost of goods. Even with recently enacted Government legislation, including the Dodd-Frank Amendment, the Company continues to remain concerned about the continual rise in interchange fees for accepting payment cards at the point of sale. As the use of payment cards increases and processors continue to raise their rates, this expense has the ability to decrease profit margins.

Various aspects of the Company’s business are subject to federal, state and local laws and regulations.

The Company is subject to various federal, state and local laws, regulations and administrative practices that affect the Company’s business. The Company must comply with numerous provisions regulating health and sanitation standards, food labeling, equal employment opportunity, minimum wages and licensing for the sale of food, drugs and alcoholic beverages. The Company’s compliance with these regulations may require additional capital expenditures and could adversely affect the Company’s ability to conduct the Company’s business as planned. Management cannot predict either the nature of future laws, regulations, interpretations or applications, or the effect either additional government regulations or administrative orders, when and if promulgated, or disparate federal, state, and local regulatory schemes would have on the Company’s future business. They could, however, require the reformulation of certain products to meet new standards, the recall or discontinuance of certain products not able to be reformulated, additional record keeping, expanded documentation of the properties of certain products, expanded or different labeling and/or scientific substantiation. Any or all of such requirements could have an adverse effect on the Company’s results of operations and financial condition.

WEIS MARKETS, INC.

Item 1a. Risk Factors: (continued)

Unexpected factors affecting self-insurance claims and reserve estimates could adversely affect the Company.

The Company uses a combination of insurance and self-insurance to provide for potential liabilities for workers' compensation, general liability, vehicle accident, property and associate medical benefit claims. Management estimates the liabilities associated with the risks retained by the Company, in part, by considering historical claims experience, demographic and severity factors and other actuarial assumptions which, by their nature, are subject to a high degree of variability. Any projection of losses concerning workers' compensation and general liability is subject to a high degree of variability. Among the causes of this variability are unpredictable external factors affecting future inflation rates, discount rates, litigation trends, legal interpretations, benefit level changes and claim settlement patterns.

The Company was liable for associate health claims up to an annual maximum of $750,000 per member prior to March 1, 2012, $1,250,000 per member prior to March 1, 2013 and is liable for associate health claims up to an annual maximum of $2,000,000 per member as of March 1, 2013. The Company is liable for workers' compensation claims up to $2,000,000 per claim. Property and casualty insurance coverage is maintained with outside carriers at deductible or retention levels ranging from $100,000 to $1,000,000. Although the Company has minimized its exposure on individual claims, the Company, for the benefit of cost savings, has accepted the risk of an unusual amount of independent multiple material claims arising, which could have a significant impact on earnings.

Changes in tax laws may result in higher income tax.

The Company's future effective tax rate may increase from current rates due to changes in laws and the status of pending items with various taxing authorities. Currently, the Company benefits from a combination of its corporate structure and certain state tax laws.

The Company's investment portfolio may suffer losses from changes in market interest rates and changes in market conditions which could adversely affect results of operations or liquidity.

As of December 29, 2012, the Company had $21.4 million in cash and cash equivalents and $82.5 million in marketable securities. The Company's marketable securities consist of municipal bonds and equity securities. These investments are subject to general credit, liquidity, market and interest rate risks. Substantially all of these securities are subject to interest rate and credit risk and will decline in value if interest rates increase or one of the issuers' credit ratings is reduced. As a result, the Company may experience a reduction in value or loss of liquidity from investments, which may have a negative impact on the Company's results of operations, liquidity and financial condition. The Federal Deposit Insurance Corporation (FDIC) insures amounts up to $250,000 per depositor, per insured bank, for each account ownership category. The Company has balances in bank accounts that may exceed the insured amount leaving the Company exposed for any amounts over the $250,000 limit.

The Company is a controlled Company due to the common stock holdings of the Weis family.

The Weis family's share ownership represents approximately 65% of the combined voting power of the Company's common stock as of December 29, 2012. As a result, the Weis family has the power to elect a majority of the Company's directors and approve any action requiring the approval of the shareholders of the Company, including adopting certain amendments to the Company's charter and approving mergers or sales of substantially all of the Company's assets. Currently, two of the Company's seven directors are members of the Weis family.

Changes in vendor promotions or allowances, including the way vendors target their promotional spending, and the Company's ability to effectively manage these programs could significantly impact margins and profitability.

The Company cooperatively engages in a variety of promotional programs with its vendors. As the parties assess the results of specific promotions and plan for future promotions, the nature of these programs and the allocation of dollars among them changes over time. The Company manages these programs to maintain or improve margins while at the same time increasing sales. A reduction in overall promotional spending or a shift by vendors in promotional spending away from certain types of promotions that the Company and its customers have historically utilized could have a significant impact on profitability.

WEIS MARKETS, INC.

Item 1a. Risk Factors: (continued)

Proposed changes to financial accounting standards could require the Company's store leases to be recognized on the balance sheet.

The Company has significant obligations relating to its current operating leases. Proposed changes to financial accounting standards could require such leases to be recognized on the balance sheet. As of December 29, 2012, the Company had operating lease commitments of approximately $224.2 million, scheduled through 2028. These leases are classified as operating leases and disclosed in Note 5 to the Company's audited consolidated financial statements set forth in Item 8 below, but are not reflected as liabilities on the consolidated balance sheets. In August 2010, the Financial Accounting Standards Board ("FASB") and the International Accounting Standards Board ("IASB") issued a joint discussion paper highlighting proposed changes to financial accounting standards for leases. Currently, Accounting Standards Codification 840 ("ASC 840"), Leases (formerly Statement of Financial Accounting Standards 13, Accounting for Leases) requires that operating leases are classified as an off-balance sheet transaction and only the current year operating lease expense is accounted for in the income statement. In order to determine the proper classification of the Company's stores as either operating leases or capital leases, the Company must make certain estimates at the inception of the lease relating to the economic useful life and the fair value of an asset as well as select an appropriate discount rate to be used in discounting future lease payments. These estimates are utilized by management in making computations as required by existing accounting standards that determine whether the lease is classified as an operating lease or a capital lease. All of the Company's store leases have been classified as operating leases, which results in rental payments being charged to expense over the terms of the related leases. Additionally, operating leases are not reflected in the Company's consolidated balance sheets, which means that neither a leased asset nor an obligation for future lease payments is reflected in the consolidated balance sheets. The proposed changes to ASC 840 would require that substantially all operating leases be recognized as assets and liabilities on the balance sheet. The right to use the leased property would be capitalized as an asset and the present value of future lease payments would be accounted for as a liability. The effective date, which has not been determined, could be as early as 2013 and may require retrospective adoption. This will result in a significant increase in the liabilities reflected on the Company's balance sheet and in the interest expense and depreciation and amortization expense reflected in the Company's income statement, while reducing the amount of rent expense. This could potentially decrease net income.

Item 1b. Unresolved Staff Comments:

There are no unresolved staff comments.

Item 2. Properties:

The Company currently owns and operates 82 of its retail food stores, and leases and operates 83 stores under operating leases that expire at various dates through 2028. The Company owns all trade fixtures and equipment in its stores and several parcels of vacant land, which are available as locations for possible future stores or other expansion.

The Company owns and operates one distribution center in Milton, Pennsylvania of approximately 1.1 million square feet, and one in Northumberland, Pennsylvania totaling approximately 76,000 square feet. The Company also owns one warehouse complex in Sunbury, Pennsylvania totaling approximately 553,000 square feet. The Company operates an ice cream plant, meat processing plant and milk processing plant in 259,000 square feet at its Sunbury location.

Item 3. Legal Proceedings:

Neither the Company nor any subsidiary is presently a party to, nor is any of their property subject to, any pending legal proceedings, other than routine litigation incidental to the business.

WEIS MARKETS, INC.

Executive Officers of the Registrant

The following sets forth the names and ages of the Company's executive officers as of March 14, 2013, indicating all positions held during the past five years:

Name	Age	Title
Robert F. Weis (a)	93	Chairman of the Board
Jonathan H. Weis (b)	45	Vice Chairman and Secretary
David J. Hepfinger (c)	54	President and Chief Executive Officer
Kurt A. Schertle (d)	41	Executive Vice President of Sales and Merchandising
Scott F. Frost (e)	50	Senior Vice President, Chief Financial Officer and Treasurer
Harold G. Graber (f)	57	Senior Vice President of Real Estate and Development
James E. Marcil (g)	54	Senior Vice President of Human Resources
Michael F. Mignola (h)	48	Senior Vice President of Store Operations

(a) ***Robert F. Weis.*** The Company has employed Mr. Weis since 1946. Mr. Weis served as Chairman and Treasurer from 1995 until April 2002, at which time he was appointed Chairman of the Board.

(b) ***Jonathan H. Weis.*** The Company has employed Mr. Weis since 1989. Mr. Weis served the Company as Vice President of Property Management and Development from 1996 until April 2002, at which time he was appointed as Vice President and Secretary. In January of 2004, the Board appointed Mr. Weis as Vice Chairman and Secretary.

(c) ***David J. Hepfinger.*** Mr. Hepfinger joined the Company on March 1, 2008 as its President and Chief Operating Officer. Mr. Hepfinger has served the Company as President and Chief Executive Officer since January 1, 2009. Prior to joining the Company, Mr. Hepfinger worked for Price Chopper Supermarkets, a chain of supermarkets headquartered in Rotterdam, NY, for 32 years in various capacities including his last position as Senior Vice President Retail and Administration.

(d) ***Kurt A. Schertle.*** The Company hired Mr. Schertle on March 1, 2009 as its Vice President of Sales and Merchandising. In February 2010, Mr. Schertle was promoted to Senior Vice President of Sales and Merchandising. In July, 2012, Mr. Schertle was promoted to Executive Vice President of Sales and Merchandising. Prior to joining the Company, Mr. Schertle was President and Chief Operating Officer of Tree Top Kids, a specialty toy retailer, from

2007 until 2009. Mr. Schertle has more than 20 years of food retailing experience, mostly with Shoppers Food & Pharmacy, a banner of SUPERVALU, where he worked in various capacities including his last position as a Senior Vice President for Marketing and Merchandising from 2005 until 2007.

(e) ***Scott F. Frost.*** Mr. Frost joined the Company full-time in 1984 and he has held various positions since then. The Company appointed Mr. Frost as Vice President, Chief Financial Officer and Treasurer on October 26, 2009. In January 2011, Mr. Frost was promoted to Senior Vice President, Chief Financial Officer and Treasurer. Mr. Frost also served as Acting Chief Financial Officer, Controller, Assistant Treasurer and Assistant Secretary of the Company during the past five years.

(f) ***Harold G. Graber.*** Mr. Graber joined the Company in October 1989 as the Director of Real Estate. Mr. Graber, who served the Company as Vice President for Real Estate since 1996, was promoted to Senior Vice President of Real Estate and Development in February 2010.

(g) ***James E. Marcil.*** Mr. Marcil joined the Company in September 2002 as Vice President of Human Resources. In February 2010, Mr. Marcil was promoted to Senior Vice President of Human Resources.

(h) ***Michael F. Mignola.*** Mr. Mignola joined the Company in July 2008 as its General Manager of one of the Company's regions. In February 2010, Mr. Mignola was promoted to Regional Vice President. In January 2011, Mr. Mignola was promoted to Vice President of Merchandising. As of April 2011, Mr. Mignola was Vice President of Center Store Sales and Merchandising. In August 2011, Mr. Mignola became Vice President of Store Operations. In March 2013, Mr. Mignola was promoted to Senior Vice President of Store Operation. Prior to joining the Company, Mr. Mignola worked for Price Chopper Supermarkets, a chain of supermarkets headquartered in Rotterdam, NY, for 28 years in various capacities including his last position as a Regional Supervisor.

WEIS MARKETS, INC.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities:

The Company's stock is traded on the New York Stock Exchange (ticker symbol WMK). The approximate number of shareholders, including individual participants in security position listings, on December 29, 2012 as provided by the Company's transfer agent was 6,174. High and low stock prices and dividends paid per share for the last two fiscal years were:

	2012			2011		
	Stock Price		Dividend	Stock Price		Dividend
Quarter	High	Low	Per Share	High	Low	Per Share
First	$44.85	$39.66	$ .30	$40.96	$38.67	$ .29
Second	45.90	42.07	.30	41.82	38.03	.29
Third	45.96	41.15	.30	42.20	36.64	.29
Fourth	42.63	37.65	.30	42.01	36.52	1.30

The following line graph compares the yearly percentage change in the cumulative total shareholder return on the Company’s common stock against the cumulative total return of the S&P Composite-500 Stock Index and the cumulative total return of a published group index for the Retail Grocery Stores Industry (“Peer Group”), provided by Value Line, Inc., for the period of five years. The graph depicts $100 invested at the close of trading on the last trading day preceding the first day of the fifth preceding year in Weis Markets, Inc. common stock, S&P 500, and the Peer Group. The cumulative total return assumes reinvestment of dividends.

Comparative Five-Year Total Returns

	2007	2008	2009	2010	2011	2012
Weis Markets, Inc.	100.00	87.12	97.43	111.60	116.71	117.68

S&P500	100.00	63.00	79.67	91.67	93.60	108.58
Peer Group	100.00	77.38	79.27	93.43	106.65	123.46

WEIS MARKETS, INC.

Item 6. Selected Financial Data:

The following selected historical financial information has been derived from the Company's audited consolidated financial statements. This information should be read in connection with the Company's Consolidated Financial Statements and the Notes thereto, as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in Item 7.

Five Year Review of Operations