For Immediate Release
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Whole Foods Market Reports Fourth Quarter Results

Sales Increase 24%, Net Income Increases 27% and Diluted EPS Increase 21%; Company Announces 27% Increase in Quarterly Dividend

November 10, 2004. Whole Foods Market, Inc. (NASDAQ: WFMI) today reported sales and earnings for the 12-week quarter and 52-week fiscal year ended September 26, 2004. For the fourth quarter, sales increased 24% to $927.3 million, net income increased 27% to $30.2 million, diluted earnings per share increased 21% to $0.46, and Economic Value Added (EVA) improved $2.0 million to $1.0 million. For the fiscal year, sales increased 23% to $3.9 billion, net income increased 32% to $137.1 million, diluted earnings per share increased 26% to $2.09, and EVA improved $12.6 million to $15.2 million. The Company also announced that its Board of Directors approved a 27% increase in the quarterly dividend to $0.19 per share from $0.15 per share.

Operating Highlights	4Q04	FY04
Sales increase	24%	23%
Comparable store sales growth	14.0%	14.9%
Identical store sales growth	13.3%	14.5%
Weighted average square footage growth	13%	9%
Number of stores opened / acquired	3	19
Net income increase	27%	32%
Diluted earnings per share (EPS) increase	21%	26%
EVA increase	$2.0 mil	$12.6 mil
Cash dividend payments to shareholders	$9.4 mil	$27.7 mil

"Our fourth quarter results cap off an outstanding year," said John Mackey, Chairman, Chief Executive Officer, and Co-Founder of Whole Foods Market. "In a year that has proven to be very challenging for most food retailers, we grew sales 23% to just under $4 billion, and our 14.9% comparable store sales increase set a new company record. Our net profit margin improved 25 basis points to 3.5% of sales, and we produced a 26% increase in diluted earnings per share to $2.09, which was well ahead of our initial guidance of $1.87 to $1.95. We reported our fourth consecutive quarter of positive EVA resulting in record incremental EVA improvement of $12.6 million. In addition, we are very pleased, after initiating a dividend payment to shareholders just one year ago, to be announcing a 27% increase in that dividend today."

Store Returns for the Quarter	Average Size	Average Comps	NOPAT ROIC	# of Comp Stores
Stores over eight years old	28,000	12.2%	54%	67
Stores between five and eight years old	34,000	13.9%	38%	27
Stores between two and five years old	36,000	13.3%	20%	38
Stores less than two years old (including relocations)	37,000	26.2%	16%	13
Stores in comparable store base	32,000	14.0%	32%	145
Stores open at the end of the fourth quarter	32,000		27%	163

In the fourth quarter, gross profit increased 35 basis points to 34.7% of sales, and direct store expenses increased 44 basis points to 25.9% of sales, resulting in a 10 basis point decrease in store contribution to 8.7% of sales. For the 145 stores in the comparable store base, gross profit improved 66 basis points to 35.1% of sales, and direct store expenses increased 16 basis points to 25.6% of sales, resulting in a 49 basis point increase in store contribution to 9.4% of sales. General and administrative (G&A) expenses were flat at 3.0% of sales.

As shown in the table below, the Company's fiscal 2004 results were in line with its historical four-year average results. While there may be more variability during a particular quarter, the Company points out the consistency of these line items as a percentage of sales over time.

Historical Performance	**FY00**	**FY01**	**FY02**	**FY03**	**4-Year Average**	**FY04**
Gross profit	34.5%	34.8%	34.7%	34.3%	34.5%	34.8%
Direct store expenses	25.0%	25.3%	25.1%	25.2%	25.2%	25.5%
Store contribution	9.4%	9.5%	9.6%	9.2%	9.4%	9.3%

Capital expenditures in the quarter were $64 million of which $37 million was for new store development. The Company produced cash flow from operations of $75 million during the quarter and paid approximately $9 million to shareholders in its third quarterly dividend of $0.15 per share. Cash and cash equivalents, including restricted cash, were approximately $222 million at the end of the quarter, and total long-term debt, which includes $159 million in Zero Coupon Convertible Debentures, was approximately $171 million.

In the fourth quarter, the Company opened three new stores in Princeton, NJ; Valencia, CA; and West Vancouver, British Columbia, ending the quarter with 163 stores totaling approximately 5.1 million square feet. The Company has opened one store in Hingham, MA and expects to open two additional stores in Redwood City, CA and Sarasota, FL in the first quarter of fiscal year 2005.

The Company is pleased to announce the recent signing of eight new store leases in Seattle, WA; Denver, CO; Greenville, SC; Santa Barbara, CA; Long Island, NY; Manhattan, NY; Sacramento, CA; and Tustin, CA (a relocation). The following table provides additional information about the Company's store development pipeline.

Stores in Development	**11/10/04**	**11/12/03**	**% Change**
Number of stores in development	53	35	51%
Average size (gross square feet)	49,000	45,000	9%
As a percentage of existing store average size	155%	143%	-
Total square footage under development	2,600,000	1,600,000	61%
As a percentage of existing square footage	50%	35%	-

The Company today announced that its Board of Directors approved a 27% increase in the Company's quarterly dividend to $0.19 per share from $0.15 per share**.** The first $0.19 per share quarterly dividend will be payable January 17, 2005 to shareholders of record as of January 7, 2005 and is expected to pay out approximately $48 million in calendar 2005.

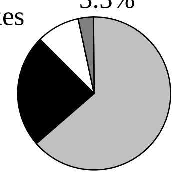
Historical Performance	**FY00-FY03 Average**	**FY04**	**FY00-FY04 Average**
Sales growth (CAGR)	20.5%	22.8%	21.0%
Comparable store sales growth	9.1%	14.9%	10.3%
Two-year comps (sum of two years)	18.0%	23.5%	19.1%

Future Growth Goals

The Company has a stated long-term growth goal of $10 billion in sales by the year 2010. As shown in the table above, the Company produced above-average sales and comparable store sales increases in fiscal year 2004 and will, therefore, face difficult comparisons in 2005, particularly in the second quarter when it will be comparing against a 17.1% comparable store sales increase. For fiscal year 2005, however, the Company still expects sales growth of 15% to 20% and comparable store sales growth of 8% to 10%. The Company expects weighted average square footage growth of approximately 15% based on the opening of 15 to 18 new stores, including three relocations. Diluted earnings per share growth is expected to be lower than sales growth primarily due to the anticipated acceleration in square footage growth, which is expected to result in pre-opening expenses in the range of $18 million to $20 million versus $10 million in the prior year. In addition, new stores could have some negative impact on store contribution, as new stores generally have lower gross margins and higher direct store expenses than more mature stores**.** Capital expenditures are expected to be in the range of $300 million to $320 million.

The Company's guidance does not include any impact from the Financial Accounting Standards Board's (FASB) proposed Statement 123R, *Share-based Payment,* which would require all companies to expense share-based payments, including stock options, at fair value. The current proposed guidelines would be applied to companies for interim or annual periods beginning after June 15, 2005; therefore, the Company would expect to begin expensing stock options in the fourth quarter of fiscal year 2005. The Company's guidance excludes any impact from expensing stock options as FASB has not issued a final statement.

Supplemental Information: The following pie chart depicts net income and certain expense categories, including salaries and benefits, as a percentage of sales for the twelve weeks ended September 26, 2004.



The Company will host a conference call today to discuss this earnings announcement at 4:00 p.m. CT. The dial in number is 1-800-540-0559 and the conference ID is "Whole Foods." A replay will be available for approximately 48 hours at 1-402-220-1123, and a simultaneous audio webcast will be available at www.wholefoodsmarket.com.

About Whole Foods Market: Founded in 1980 in Austin, Texas, Whole Foods Market® is the largest natural and organic foods retailer. The Company had sales of $3.9 billion in fiscal year 2004 and currently has 164 stores in the United States, Canada and the United Kingdom.

The following constitutes a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995. Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties, which could cause our actual results to differ materially from those described in the forward looking statements. These risks include but are not limited to general business conditions, the timely development and opening of new stores, the integration of acquired stores, the impact of competition, and other risks detailed from time to time in the Company's SEC reports, including the report on Form 10K for the fiscal year ended September 28, 2003. The Company does not undertake any obligation to update forward-looking statements.

Whole Foods Market, Inc.
Consolidated Statements of Operations
(In thousands, except per share amounts)

	Twelve weeks ended		Fifty-two weeks ended	
	September 26, 2004	September 28, 2003	September 26, 2004	September 28, 2003
Sales	$ 927,306	$ 750,651	$ 3,864,950	$ 3,148,593
Cost of goods sold and occupancy costs	605,965	493,135	2,521,611	2,067,939
Gross profit	321,341	257,516	1,343,339	1,080,654
Direct store expenses	240,278	191,178	983,765	792,536
Store contribution	81,063	66,338	359,574	288,118
General and administrative expenses	27,597	22,298	119,800	100,693
Pre-opening and relocation costs	3,199	3,935	10,459	12,091
Operating income	50,267	40,105	229,315	175,334
Other income (expense):				
Interest expense	(1,593)	(1,621)	(7,249)	(8,114)
Investment and other income	1,707	1,204	6,456	5,593
Income before income taxes	50,381	39,688	228,522	172,813
Provision for income taxes	20,153	15,876	91,409	69,126
Net income	$ 30,228	$ 23,812	$ 137,113	$ 103,687
Basic earnings per share	$ 0.48	$ 0.40	$ 2.24	$ 1.76
Weighted average shares outstanding	62,339	59,989	61,324	59,035
Diluted earnings per share	$ 0.46	$ 0.38	$ 2.09	$ 1.66
Weighted average shares outstanding, diluted basis	68,613	65,827	67,727	65,330
Dividends per share	$ 0.15	$ -	$ 0.60	$ -

A reconciliation of the numerators and denominators of the basic and diluted earnings per share calculations follows (in thousands):

	Twelve weeks ended		Fifty-two weeks ended	
	September 26, 2004	September 28, 2003	September 26, 2004	September 28, 2003
Net income (numerator for basic earnings per share)	$ 30,228	$ 23,812	$ 137,113	$ 103,687
Interest on 5% zero coupon convertible subordinated debentures, net of income taxes	1,099	1,052	4,697	4,481
Adjusted net income (numerator for diluted earnings per share)	$ 31,327	$ 24,864	$ 141,810	$ 108,168
Weighted average common shares outstanding (denominator for basic earnings per share)	62,339	59,989	61,324	59,035
Potential common shares outstanding:				
Assumed conversion of 5% zero coupon convertible subordinated debentures	3,280	3,285	3,281	3,285
Assumed exercise of stock options	2,994	2,553	3,122	3,010
Weighted average common shares outstanding and potential additional common shares outstanding (denominator for diluted earnings per share)	68,613	65,827	67,727	65,330
Basic earnings per share	$ 0.48	$ 0.40	$ 2.24	$ 1.76
Diluted earnings per share	$ 0.46	$ 0.38	$ 2.09	$ 1.66

Whole Foods Market, Inc.
Consolidated Balance Sheets
September 26, 2004 and September 28, 2003
(In thousands)

Assets

	2004	2003
Current assets:		
Cash and cash equivalents	$ 198,377	$ 165,779
Restricted cash	23,160	-
Trade accounts receivable	64,972	45,947
Merchandise inventories	152,912	123,904
Prepaid expenses and other current assets	16,702	12,447
Deferred income taxes	28,894	15,607
Total current assets	485,017	363,684
Property and equipment, net of accumulated depreciation and amortization	877,457	718,240
Long-term investments	-	2,206
Goodwill	112,186	80,548
Intangible assets, net of accumulated amortization	24,831	26,569
Other assets	20,302	5,573
Total assets	$ 1,519,793	$ 1,196,820

Liabilities And Shareholders' Equity

	2004	2003
Current liabilities:		
Current installments of long-term debt and capital lease obligations	$ 5,719	$ 5,806
Trade accounts payable	90,751	72,715
Accrued payroll, bonus and other benefits due team members	100,536	70,875
Dividends payable	9,361	-
Other accrued expenses	124,641	90,188
Total current liabilities	331,008	239,584
Long-term debt and capital lease obligations, less current installments	165,024	162,909
Deferred rent liability	13,566	13,349
Other long-term liabilities	1,581	2,301
Deferred income taxes	20,175	2,501
Total liabilities	531,354	420,644
Shareholders' equity:		
Common stock, no par value, 150,000 shares authorized; 62,771 and 60,299 shares issued; 62,408 and 60,070 shares outstanding in 2004 and 2003 respectively	535,107	423,297
Accumulated other comprehensive income	2,053	1,624
Retained earnings	451,279	351,255
Total shareholders' equity	988,439	776,176
Commitments and contingencies		
Total liabilities and shareholders' equity	$ 1,519,793	$ 1,196,820

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

	Fifty-two weeks ended September 26, 2004	Fifty-two weeks ended September 28, 2003
Cash flows from operating activities		
Net Income	$ 137,113	$ 103,687
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	111,891	97,986
Loss on disposition of assets	5,769	771
Deferred income tax expense (benefit)	4,387	5,712
Tax benefit related to exercise of employee stock options	35,583	25,917
Interest accretion on long-term debt	7,551	7,339
Other	(942)	10,102
Net change in current assets and liabilities		
Trade accounts receivable	(19,158)	(15,209)
Merchandise inventories	(27,868)	(17,714)
Prepaid expense and other current assets	(2,940)	(1,755)
Trade accounts payable	12,515	13,005
Accrued payroll, bonus and other benefits due team members	29,646	11,516
Other accrued expenses	35,279	38,100
Net cash provided by operating activities	328,826	279,457
Cash flows from investing activities		
Development costs of new store locations	(155,214)	(89,007)
Other property, plant and equipment expenditures	(109,739)	(84,103)
Acquisition of intangible assets	(584)	(6,456)
Increase in notes receivable	(13,500)	-
Increase in restricted cash	(23,160)	-
Payment for purchase of acquired entities, net of cash acquired	(18,873)	-
Other investing activities	1,916	3,763
Net cash used in investing activities	(319,154)	(175,803)
Cash flows from financing activities		
Dividends paid	(27,728)	-
Issuance of common stock	59,518	52,270
Payments on long-term debt and capital lease obligations	(8,864)	(5,835)
Net cash provided by financing activities	22,926	46,435
Cash flows from discontinued operations		
Net cash provided by discontinued operations	-	3,044
Net increase in cash and cash equivalents	32,598	153,133
Cash and cash equivalents at beginning of period	165,779	12,646
Cash and cash equivalents at end of period	$ 198,377	$ 165,779
Supplemental disclosure of cash flow information:		
Interest paid	$ 2,127	$ 2,084
Federal and state income taxes paid	$ 60,372	$ 16,375
Non-cash transactions:		
Common stock issued in connection with acquisition	$ 16,375	$ -

Whole Foods Market, Inc.
Other Financial Information
(In thousands, except per share amounts)

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, the Company provides information regarding Economic Value Added ("EVA") in the press release as additional information about its operating results. This measure is not in accordance with, or an alternative to, GAAP. The Company's management believes that this presentation provides useful information to management, analysts and investors regarding certain additional financial and business trends relating to its results of operations and financial condition. In addition, management uses this measure for reviewing the financial results of the Company and for incentive compensation and capital planning purposes. The following table reflects a reconciliation of this non-GAAP financial measure to GAAP net income, which the Company believes to be the most directly comparable GAAP financial measure.

EVA

	Twelve weeks ended		Fifty-two weeks ended	
	September 26, 2004	September 28, 2003	September 26, 2004	September 28, 2003
GAAP Net income	$ 30,228	$ 23,812	$ 137,113	$ 103,687
Provision for income taxes	20,153	15,876	91,409	69,126
Interest expense and other	3,168	3,348	11,955	11,823
NOPBT	53,549	43,036	240,477	184,636
Taxes (40%)	(21,420)	(17,214)	(96,191)	(73,854)
NOPAT	32,129	25,822	144,286	110,782
Capital Charge (9%)	(31,175)	(26,894)	(129,104)	(108,231)
EVA	$ 954	$ (1,072)	$ 15,182	$ 2,551

The following tables reflect the pro forma effects of recognizing compensation cost for stock options in accordance with Statement of Financial Accounting Standards No. 123:

Stock-Based Compensation

	Twelve weeks ended		Fifty-two weeks ended	
Net income	September 26, 2004	September 28, 2003	September 26, 2004	September 28, 2003
Net income	$ 30,228	$ 23,812	$ 137,113	$ 103,687
After-tax pro forma expense	(7,195)	(4,689)	(23,888)	(17,675)
Pro forma net income	$ 23,033	$ 19,123	$ 113,225	$ 86,012
Dilution	24%	20%	17%	17%
Earnings per share				
Net income	$ 0.46	$ 0.38	$ 2.09	$ 1.66
After-tax pro forma expense	(0.10)	(0.07)	(0.33)	(0.25)
Pro forma net income	$ 0.36	$ 0.31	$ 1.76	$ 1.41
Dilution	22%	18%	16%	15%