

Edgar Filing: UNI MARTS INC - Form 10-Q

UNI MARTS INC  
Form 10-Q  
February 15, 2002

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended January 3, 2002

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 1-11556

UNI-MARTS, INC.

(Exact name of registrant as specified in its charter)

Delaware

25-1311379

(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer  
Identification No.)

477 East Beaver Avenue, State College, PA

16801-5690

(Address of principal executive offices)

(Zip Code)

(814) 234-6000

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last  
report.)

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

7,086,953 Common Shares were outstanding at February 8, 2002.

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This Document Contains 19 Pages.

-1-

UNI-MARTS, INC. AND SUBSIDIARIES  
INDEX

PART I. FINANCIAL INFORMATION  
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	PAGE(S)
Item 1. Financial Statements	
Condensed Consolidated Balance Sheets - January 3, 2002 and September 30, 2001	3-4
Condensed Consolidated Statements of Operations - Quarters Ended January 3, 2002 and January 4, 2001	5
Condensed Consolidated Statements of Cash Flows - Quarters Ended January 3, 2002 and January 4, 2001	6-7
Notes to Condensed Consolidated Financial Statements	8-12
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	13-15
Item 3. Quantitative and Qualitative Disclosures About Market Risk	16

PART II. OTHER INFORMATION  
-----

Item 6. Exhibits and Reports on Form 8-K	16-17
Exhibit Index	19

-2-

PART I. FINANCIAL INFORMATION  
 ITEM 1. FINANCIAL STATEMENTS

UNI-MARTS, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (In thousands)  
 (Unaudited)

	January 3, 2002 -----
ASSETS	
CURRENT ASSETS:	
Cash	\$ 3,976
Accounts receivable - less allowances of \$211 and \$225	6,011
Inventories	18,162
Prepaid and current deferred taxes	1,637
Property held for sale	1,786
Prepaid expenses and other	1,164
Loan due from officer - current portion	0
	-----
TOTAL CURRENT ASSETS	32,736
PROPERTY, EQUIPMENT AND IMPROVEMENTS - at cost, less accumulated depreciation and amortization of \$60,767 and \$59,166	102,949
LOAN DUE FROM OFFICER	360
NET INTANGIBLE AND OTHER ASSETS	7,681
	-----
TOTAL ASSETS	\$143,726 =====

-3-

UNI-MARTS, INC. AND SUBSIDIARIES

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CONDENSED CONSOLIDATED BALANCE SHEETS  
(In thousands, except share and per share data)  
(CONTINUED)  
(Unaudited)

January 3,  
2002  
-----

LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES:	
Accounts payable	\$ 11,696
Gas taxes payable	3,614
Accrued expenses	5,844
Current maturities of long-term debt	2,940
Current obligations under capital leases	350
	-----
TOTAL CURRENT LIABILITIES	24,444
LONG-TERM DEBT, less current maturities	81,328
OBLIGATIONS UNDER CAPITAL LEASES, less current maturities	303
DEFERRED TAXES	2,974
DEFERRED INCOME AND OTHER LIABILITIES	5,035
COMMITMENTS AND CONTINGENCIES	
STOCKHOLDERS' EQUITY:	
Common Stock, par value \$.10 per share:	
Authorized 15,000,000 shares	
Issued 7,392,184 and 7,388,083 shares, respectively	739
Additional paid-in capital	23,807
Retained earnings	7,088
	-----
	31,634
Less treasury stock, at cost - 310,897 and 323,275 shares of Common Stock, respectively	(1,992)
	-----
	29,642
	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$143,726
	=====

See notes to consolidated financial statements

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-4-

UNI-MARTS, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
 (In thousands, except per share data)  
 (Unaudited)

	QUARTER ENDED	
	January 3, 2002	January 2001
	-----	-----
REVENUES:		
Merchandise sales	\$56,254	\$ 50,4
Gasoline sales	42,295	58,4
Other income	440	6
	-----	-----
	98,989	109,6
	-----	-----
COSTS AND EXPENSES:		
Cost of sales	76,093	86,3
Selling	16,955	16,6
General and administrative	1,902	1,8
Depreciation and amortization	2,058	1,9
Interest	1,815	1,9
	-----	-----
	98,823	108,8
	-----	-----
EARNINGS BEFORE INCOME TAXES	166	7
INCOME TAX PROVISION	56	2
	-----	-----
NET EARNINGS	\$ 110	\$ 5
	=====	=====
NET EARNINGS PER SHARE	\$ 0.02	\$ 0.
	=====	=====
DILUTED EARNINGS PER SHARE	\$ 0.02	\$ 0.
	=====	=====
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	7,070	7,0
	=====	=====
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING ASSUMING DILUTION	7,189	7,0
	=====	=====

See notes to consolidated financial statements

-5-

UNI-MARTS, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
 (In thousands)  
 (Unaudited)

	QUARTER ENDED	
	January 3, 2002	January 4, 2001
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and others	\$ 101,383	\$ 110,795
Cash paid to suppliers and employees	(99,108)	(110,678)
Dividends and interest received	13	23
Interest paid (net of capitalized interest of \$0 and \$287)	(2,296)	(2,382)
Income taxes received	36	15
	-----	-----
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	28	(2,227)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Receipts from sale of capital assets	4	242
Purchase of property, equipment and improvements	(1,421)	(4,261)
Note receivable from officer	60	0
Cash advanced for intangible and other assets	(75)	(60)
Cash received for intangible and other assets	16	9
	-----	-----
NET CASH USED IN INVESTING ACTIVITIES	(1,416)	(4,070)
CASH FLOWS FROM FINANCING ACTIVITIES:		

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Borrowings (payments) on revolving credit agreement	1,512	583
Additional long-term borrowings	0	3,624
Principal payments on debt	(1,231)	(786)
Proceeds from issuance of common stock	8	7
	-----	-----
NET CASH PROVIDED BY FINANCING ACTIVITIES	289	3,428
	-----	-----
NET DECREASE IN CASH	(1,099)	(2,869)
CASH:		
Beginning of period	5,075	7,882
	-----	-----
End of period	\$ 3,976	\$ 5,013
	=====	=====

-6-

UNI-MARTS, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(In thousands)  
(CONTINUED)  
(Unaudited)

	QUARTER ENDED	
	January 3, 2002	January 2001
	-----	-----
RECONCILIATION OF NET EARNINGS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
NET EARNINGS	\$ 110	\$ 52
ADJUSTMENTS TO RECONCILE NET EARNINGS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Depreciation and amortization	2,058	1,973
Loss on sale of capital assets and other	126	3
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	1,144	1,400
Inventories	308	(29)
Prepaid expenses and other	1,636	19
Increase (decrease) in:		
Accounts payable and accrued expenses	(5,265)	(6,200)
Deferred income taxes and other liabilities	(89)	14
	-----	-----
TOTAL ADJUSTMENTS TO NET EARNINGS	(82)	(2,74)
	-----	-----
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 28	(\$2,22)

See notes to consolidated financial statements

-7-

UNI-MARTS, INC. AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

A. FINANCIAL STATEMENTS:

The consolidated balance sheet as of January 3, 2002, the consolidated statements of operations and the consolidated statements of cash flows for the quarters ended January 3, 2002 and January 4, 2001 have been prepared by Uni-Marts, Inc. (the "Company") without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position of the Company at January 3, 2002 and the results of operations and cash flows for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these consolidated financial statements be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2001. Certain reclassifications have been made to the September 30, 2001 financial statements to conform to classifications used in fiscal year 2002. The results of operations for the interim periods are not necessarily indicative of the results to be obtained for the full year.

B. INTANGIBLE AND OTHER ASSETS:

Intangible and other assets consist of the following (in thousands):

	January 3, 2002 -----	January 4, 2001 -----
Goodwill	\$8,874	\$8,874
Lease acquisition costs	315	439
Noncompete agreements	250	250
Other intangible assets	181	165
	----- 9,620	----- 9,728
Less accumulated amortization	3,053	2,717
	----- 6,567	----- 7,011



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Other assets	1,114	1,077
	-----	-----
	\$7,681	\$8,088
	=====	=====

Goodwill represents the excess of costs over the fair value of net assets acquired in business combinations and is amortized on a straight-line basis over periods of 13 to 40 years. Lease acquisition costs are the bargain element of acquired leases and are being amortized on a straight-line basis over the related lease terms. It is the Company's policy to periodically review and evaluate the recoverability of the intangible assets by assessing current and future profitability and cash flows and to determine whether the amortization of the balances over their remaining lives can be recovered through expected future results and cash flows.

-8-

C. REVOLVING CREDIT AGREEMENT:

On April 20, 2000, the Company executed a 3-year secured \$10.0 million revolving loan agreement (the "Agreement") with \$3.5 million available for letters of credit. During the second quarter of fiscal year 2001, the Company amended the Agreement to increase the total credit line to \$13.0 million, with \$3.5 million available for letters of credit, and amend certain financial covenants. Provisions of the Agreement require the maintenance of certain covenants relating to minimum tangible net worth, interest and fixed charge coverage ratios, as measured on a quarterly basis. In addition, the Agreement places limitations on capital expenditures, additional debt and payment of dividends. The Company was in compliance with these covenants as of January 3, 2002. Borrowings of \$7.3 million and letters of credit of \$3.0 million were outstanding at January 3, 2002. This facility bears interest at the Company's option based on a rate of either prime plus 1% or LIBOR plus 3.0%. The blended interest rate at January 3, 2002 was 5.40%. The Agreement is collateralized by substantially all of the Company's eligible inventories and eligible receivables and selected properties. The net book value of these selected properties at January 3, 2002 was \$2,582,500. During the first quarter of fiscal year 2002, the Company amended this Agreement to extend the maturity date to April 20, 2004, amend certain covenant provisions, and to provide an additional \$2.0 million for borrowing on a seasonal basis.

-9-

D. LONG-TERM DEBT:

	January 3, 2002	Septemb 200
	-----	-----
	(In thousands)	

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Mortgage Loan. Principal and interest will be paid in 200 remaining monthly installments. At January 3, 2002, the coupon rate was 9.08% and the effective interest rate was 9.78%, net of unamortized fees of \$1,298,348 (\$1,329,757 in 2001).	\$32,075	\$32,
Mortgage Loan. Principal and interest will be paid in 221 remaining monthly installments. The loan bears interest at LIBOR plus 3.75%. At January 3, 2002, the coupon rate was 5.67% and the effective interest rate was 6.03%, net of unamortized fees of \$394,072 (\$403,779 in 2001).	20,912	21,
Mortgage Loan. Principal and interest will be paid in 221 remaining monthly installments. At January 3, 2002, the coupon rate was 10.39% and the effective interest rate was 10.70%, net of unamortized fees of \$122,346 (\$124,901 in 2001).	6,590	6,
Mortgage Loans. Principal and interest are paid in monthly installments. The loans expire in 2009, 2010, 2020 and 2021. Interest ranges from the prime rate to LIBOR plus 3.75%. At January 3, 2002, the blended coupon rate was 6.59% and the effective interest rate was 6.94%, net of unamortized fees of \$149,923 (\$151,688 in 2001).	7,389	7,
Revolving Credit Agreement. Interest is paid monthly. The blended interest rate at January 3, 2002 was 5.40%. (See Note C)	7,271	5,
Equipment Loans. Principal and interest are paid in monthly installments. The loans expire in 2010 and 2011 and bear interest at LIBOR plus 3.75%. At January 3, 2002, the blended coupon rate was 5.67% and the effective interest rate was 6.21%, net of unamortized fees of \$165,050 (\$174,996 in 2001).	9,060	9,
Equipment Loan. Principal and interest will be paid in 102 remaining monthly installments. The loan expires in 2010. At January 3, 2002, the coupon rate was 10.73% and the effective interest rate was 11.20%, net of unamortized fees of \$16,287 (\$17,124 in 2001).	971	
	-----	-----
	84,268	83,
Less current maturities	2,940	2,
	-----	-----
	\$81,328	\$80,
	=====	=====

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-10-

D. LONG-TERM DEBT (CONTINUED):

The mortgage loans are collateralized by \$70,191,500 of property, at net book value, and the equipment loans are collateralized by \$5,528,200 of equipment, at net book value.

Aggregate maturities of long-term debt (net of loan fee amortization) during the next five years are as follows (in thousands):

September 30,	
2002	\$ 1,844
2003	2,691
2004	10,208
2005	3,205
2006	3,495
Thereafter	62,825
	-----
	\$84,268
	=====

E. RELATED PARTY TRANSACTIONS:

Certain directors and officers of the Company are also directors, officers and controlling shareholders of Unico Corporation ("Unico"), formerly the Company's parent, and other affiliated companies from which the Company leases its corporate headquarters and various store and other locations under agreements classified as operating leases. During the first quarter of fiscal year 2002, the Company completed lease agreements for two stores and certain equipment with Unico and an affiliate. These leases provide for annual rents aggregating \$548,200. Aggregate rentals in connection with all such leases for the quarters ended January 3, 2002 and January 4, 2001 were \$224,400 and \$166,700, respectively.

F. NEW ACCOUNTING PRONOUNCEMENTS:

In June 2001, the Financial Accounting Standards Board issued SFAS No. 142 and in August 2001, issued SFAS No. 144. SFAS No. 142, "Goodwill and Other Intangible Assets," requires that such assets with indefinite lives not be amortized but be tested annually for impairment and provides specific guidance for such testing. This statement also requires disclosure of information regarding goodwill and other assets that was previously not required. SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," provides additional guidance for impairment testing and determination of when an asset is considered to be for sale. The Company is not required to adopt these accounting standards until fiscal year 2003. At this time, the Company has not determined the impact these standards will have on the Company's financial statements.

-11-

G. CONTINGENCIES:

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- (1) Leases -- The Company leases its corporate headquarters, 131 of its store locations and certain equipment. Future minimum lease payments under capital leases and noncancellable operating leases are shown below. Some of the leases provide for additional rentals when sales exceed a specified amount and contain variable renewal options and escalation clauses.

	Capital Leases -----	Operating Leases -----	Rental Income -----
	(In thousands)		
Nine months ending			
September 30, 2002	\$342	\$ 4,349	\$ 625
Fiscal year 2003	180	5,263	640
Fiscal year 2004	140	3,944	491
Fiscal year 2005	31	2,822	385
Fiscal year 2006	31	1,630	198
Thereafter	52	5,289	401
	----	-----	-----
Total future minimum lease payments	776	\$23,297	\$2,740
		=====	=====
Less amount representing interest	123		
	----		
Present value of future payments	653		
Less current maturities	350		
	----		
	\$303		
	=====		

- (2) Litigation -- The Company is involved in litigation and other legal matters which have arisen in the normal course of business. Although the ultimate results of these matters are not currently determinable, management does not expect that they will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

-12-

ITEM 2.

UNI-MARTS, INC. AND SUBSIDIARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Set forth below are selected unaudited consolidated financial data of the Company for the periods indicated:

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	QUARTER ENDED	
	January 3, 2002	January 4, 2001
	-----	-----
Revenues:		
Merchandise sales	56.8%	46.1%
Gasoline sales	42.7	53.3
Other income	0.5	0.6
	-----	-----
Total revenues	100.0	100.0
Cost of sales	76.9	78.8
	-----	-----
Gross profit:		
Merchandise (as a percentage of merchandise sales)	31.6	33.2
Gasoline (as a percentage of gasoline sales)	11.1	10.0
Total gross profit	23.1	21.2
Costs and expenses:		
Selling	17.1	15.2
General and administrative	1.9	1.7
Depreciation and amortization	2.1	1.8
Interest	1.8	1.8
	-----	-----
Total expenses	22.9	20.5
Earnings before income taxes	0.2	0.7
Income tax provision	0.1	0.2
	-----	-----
Net earnings	0.1%	0.5%
	=====	=====
OPERATING DATA (RETAIL LOCATIONS ONLY):		
(In thousands, except per gallon data)		
Average, per store, for stores open two full comparable periods:		
Merchandise sales	\$ 188	\$ 173
Gasoline sales	\$ 165	\$ 238
Gallons of gasoline sold	174	184
Total gallons of gasoline sold	45,137	45,637
Gross profit per gallon of gasoline	\$ 0.104	\$ 0.128
STORE INFORMATION:		
Company-operated stores	294	292
Franchisee-operated stores	7	7
Locations with self-service gasoline	238	238

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### RESULTS OF OPERATIONS:

Matters discussed below should be read in conjunction with "Operating Data (Retail Locations Only)" on the preceding page. Certain statements contained in this report are forward looking, such as statements regarding the Company's plans and strategies or future financial performance. Although the Company believes that its expectations are based on reasonable assumptions within the bounds of its knowledge, investors and prospective investors are cautioned that such statements are only projections and that actual events or results may differ materially from those expressed in any such forward-looking statements. In addition to the factors discussed elsewhere in this report, the Company's actual consolidated quarterly or annual operating results have been affected in the past, or could be affected in the future, by additional factors, including, without limitation, general economic, business and market conditions; environmental, tax and tobacco legislation or regulation; volatility of gasoline prices, margins and supplies; changes in corporate strategy; merchandising margins; customer traffic; weather conditions; labor costs and the level of capital expenditures.

In the last twelve months, the Company continued its store evaluation and strategic initiative program by converting convenience stores to Choice Cigarette Discount Outlets ("Choice") or closing locations. During that period, 21 convenience stores were converted to Choice stores and three convenience stores were closed. The Company also expanded its store base during this period by constructing or acquiring three convenience stores and two Choice locations. The Company intends to aggressively pursue the conversion of convenience stores to Choice outlets to achieve additional improvement to store profitability.

### QUARTERS ENDED JANUARY 3, 2002 AND JANUARY 4, 2001

-----

Total revenues in the first quarter of fiscal year 2002 were \$99.0 million compared to total revenues of \$109.6 million in the same quarter of fiscal year 2001, a decline of \$10.6 million, or 9.7%. This decline is the net result of a \$5.8 million increase in merchandise sales, a \$16.2 million decline in gasoline sales and a \$200,000 decline in other income. Merchandise sales were \$56.3 million in the quarter ended January 3, 2002, an increase of \$5.8 million, or 11.4%, over merchandise sales of \$50.5 million in the quarter ended January 4, 2001. This increase is largely attributable to higher sales levels per store. Merchandise sales at comparable stores increased 8.5%. Gasoline sales were \$42.3 million in the quarter ended January 3, 2002, compared to gasoline sales of \$58.5 million in the quarter ended January 4, 2001, a decline of \$16.2 million, or 27.6%. The national decline in consumer demand during the period resulted in declines in gasoline sales dollars, gallons sold and profit per gallon sold. A 34.4 cent per gallon decline in the average selling price of gasoline in comparison to the same quarter in the last fiscal year was the leading factor in the Company's decline in gasoline sales. Gasoline gallons sold at comparable stores declined 5.3%.

Gross profits on merchandise sales increased by \$1.0 million, or 6.1%, from \$16.8 million in the first quarter of fiscal year 2001 to \$17.8 million in the first quarter of fiscal year 2002. This increase is attributable to increased merchandise sales offset, to some degree, by lower gross profit rates. Gross profits on gasoline sales declined by \$1.2 million, or 19.8%, due primarily to lower gross profits per gallon sold. The Company remained price competitive in the retail gasoline market throughout the quarter, resulting in lower gross profits per gallon sold.

Selling expenses in the quarter ended January 3, 2002 increased by \$260,000, or 1.6%, due primarily to a slight increase in the number of stores in operation.

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General and administrative expense increased by \$31,000, or 1.7%, due primarily to increased salaries that went into effect at the beginning of the fiscal year. Depreciation and amortization expense increased by \$81,000, or 4.1%, due

-14-

largely to the depreciation of equipment at new stores and newly converted Choice stores. Interest expense declined by \$121,000, or 6.3%, due to lower interest rates.

Earnings before income taxes in the first quarter of fiscal year 2002 were \$166,000 compared to pre-tax earnings of \$788,000 in the same period of the previous year. The decline of \$622,000 is largely attributable to the decline in gasoline gross profits and higher expenses, offset, in part, by increased merchandise gross profits. The provision for income taxes remained fairly level as a percentage of earnings before income taxes. Net earnings in the first quarter of the current fiscal year were \$110,000, or \$0.02 per share, compared to net earnings of \$520,000, or \$0.07 per share, in the quarter ended January 4, 2001.

### LIQUIDITY AND CAPITAL RESOURCES:

Most of the Company's sales are for cash and its inventory turns over rapidly. As a result, the Company's daily operations do not generally require large amounts of working capital. From time to time, the Company utilizes substantial portions of its cash to acquire and construct new stores and renovate existing locations.

During the first quarter of fiscal year 2002, the Company amended its revolving credit agreement to extend the maturity date to April 2004, amend certain covenant provisions, and to provide an additional \$2.0 million available for borrowing on a seasonal basis. At January 3, 2002, \$4.7 million were available for borrowing under this agreement.

Capital requirements for debt service and capital leases for the remainder of fiscal year 2002 are approximately \$2.2 million. Anticipated capital expenditures in the balance of the fiscal year are approximately \$1.1 million for the replacement of store equipment and upgrading the Company's data processing systems.

Operating lease commitments for the balance of fiscal year 2002 are approximately \$4.3 million. These commitments for fiscal years 2003, 2004, 2005, and 2006 are approximately \$5.3 million, \$3.9 million, \$2.8 million, and \$1.6 million, respectively.

Management believes that cash from operations and the available credit facilities will be sufficient to meet the Company's obligations for the foreseeable future.

In June 2001, the Financial Accounting Standards Board issued SFAS No. 142 and in August 2001, issued SFAS No. 144. SFAS NO. 142, "Goodwill and Other Intangible Assets," requires that such assets with indefinite lives not be amortized but be tested annually for impairment and provides specific guidance for such testing. This statement also requires disclosure of information regarding goodwill and other assets that was previously not required. SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," provides additional guidance for impairment testing and determination of when an asset is

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considered to be for sale. The Company is not required to adopt these accounting standards until fiscal year 2003. At this time, the Company has not determined the impact these standards will have on the Company's financial statements.

-15-

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company uses its revolving credit facility and its mortgage and equipment loans to finance a significant portion of its operations. These on-balance sheet financial instruments, to the extent they provide for variable rates of interest, expose the Company to interest rate risk resulting from changes in the LIBOR or prime rate.

To the extent that the Company's financial instruments expose the Company to interest rate risk, they are presented in the table below. The table presents principal cash flows and related interest rates by year of maturity for the Company's revolving credit facility, mortgage loans and equipment loans at January 3, 2002.

The carrying amounts of cash and short-term debt approximate fair value. The Company estimates the fair value of its long-term, fixed-rate debt generally using discounted cash flow analysis based on the Company's current borrowing rates for debt with similar maturities. The Company estimates the fair value of its long-term, variable-rate debt based on carrying amounts plus unamortized loan fees associated with the debt.

	Fiscal Year of Maturity (dollar amounts in thousands)					
	2002	2003	2004	2005	2006	Thereafter
	-----	-----	-----	-----	-----	-----
<b>Interest-rate sensitive assets:</b>						
-----						
Noninterest-bearing checking accounts	\$1,680	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest-bearing checking accounts	\$2,296	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Average interest rate	1.55%					
	-----					
	\$3,976					
	0.90%					
<b>Interest-rate sensitive liabilities:</b>						
-----						
Variable-rate borrowings	\$1,031	\$8,842	\$1,692	\$1,823	\$1,963	\$27,600
Average interest rate	5.60%	5.60%	5.64%	5.64%	5.64%	5.65%
Fixed-rate borrowings	\$ 814	\$1,120	\$1,245	\$1,382	\$1,532	\$35,225
Average interest rate	9.34%	9.34%	9.34%	9.34%	9.34%	9.34%
	-----					



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\$1,845	\$9,962	\$2,937	\$3,205	\$3,495	\$62,825
7.43%	7.44%	7.65%	7.67%	7.69%	7.72%

### ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

#### (a) EXHIBITS

- 3.1 Amended and Restated Certificate of Incorporation of the Company (Filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the period ended March 30, 1995 and incorporated herein by reference thereto).
- 3.2 Amended and Restated By-Laws of the Company (Filed as Exhibit 3.2 to the Annual Report of Uni-Marts, Inc. on Form 10-K/A for the year ended September 30, 2001, filed on February 6, 2002, and incorporated herein by reference thereto).

-16-

- 4.1 Form of the Company's Common Stock Certificate (Filed as Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q for the period ended April 1, 1993, File No. 1-11556, and incorporated herein by reference thereto).
- 4.2 Rights Agreement (Filed as Exhibit 4(ii) to the Company's Registration Statement on Form 8-A/A, filed February 14, 2002, File No. 1-11556, and incorporated herein by reference thereto).
- 10.1 Amendments 2001-1, 2001-2 and 2001-3 to the Uni-Marts, Inc. Equity Compensation Plan dated December 7, 2001.
- 10.2 Third Amendment to the revolving credit Loan Agreement between Provident Bank and Uni-Marts, Inc. dated December 21, 2001.
- 11 Statement regarding computation of per share earnings.

#### (b) REPORTS ON FORM 8-K

The Company did not file any reports on Form 8-K during the quarter ended January 3, 2002.

The Company filed a report on Form 8-K on February 6, 2002, and an amendment thereto on February 14, 2002, reporting the adoption by the Company of a shareholder rights plan.

-17-

# Edgar Filing: UNI MARTS INC - Form 10-Q

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Uni-Marts, Inc.

-----  
(Registrant)

Date February 15, 2002  
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/S/ HENRY D. SAHAKIAN  
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Henry D. Sahakian  
Chairman of the Board  
(Principal Executive Officer)

Date February 15, 2002  
-----

/S/ N. GREGORY PETRICK  
-----

N. Gregory Petrick  
Executive Vice President and  
Chief Financial Officer  
(Principal Accounting Officer)  
(Principal Financial Officer)

-18-

## UNI-MARTS, INC. AND SUBSIDIARIES EXHIBIT INDEX

Number	Description
10.1	Amendments 2001-1, 2001-2 and 2001-3 to the Uni-Marts, Inc. 1996 Equity Compensation Plan dated December 7, 2001.
10.2	Third Amendment to the revolving credit Loan Agreement between Provident Bank and Uni-Marts, Inc. dated December 21, 2001.
11	Statement regarding computation of per share earnings.

