***Ratio Analysis***

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| **Historical Ratios****PetSmart, Inc.** |
|  **Actual Actual Actual Industry****Ratio 2008 2009 2010 Average** |
| ***Liquidity***Current ratio 1.83 1.89 2.0 1.7Quick ratio 0.6 0.9 0.9 1.0 |
| ***Activity***Inventory turnover (times) 8.7 9.4 9.3 6.9Average collection period (days) 5.5 6.1 6.3 25.5Total asset turnover (times) 2.2 2.2 2.4 1.5 |
| ***Debt Management***Debt ratio 0.51 0.52 0.49 0.65Times interest earned 6.23 6.12 7.70 20.8 |
| ***Profitability***Gross profit margin 30.53% 29.62% 28.8% 41.6%Net profit margin 5.77% 5.34% 4.2% 5.3%Return on total assets 8.17% 8.12% 10.1% 7.0%Return on equity 17.48% 16.87% 25.4% 15.2%Price/earnings ratio 12.35% 16.20% 20.1% 17.2% |
| ***Market***Closing price ($) 18.22 25.33 40.05 N/ABook value ($) 9.0 9.49 10.09 13.2 Market/book 2.09 2.71 4.13 3.14Shares outstanding 127.12M 123.57M 117.61M N/A |