

Table 5. Reconciliation of Total Debt to Net Total Debt
(in millions)
(unaudited)

Net total debt should not be considered an alternative to any GAAP measure of performance or liquidity. Management believes net total debt is an important measure of liquidity, and a primary component of measuring compliance with the financial covenants under the Company's credit facility. Net total debt should be reviewed in conjunction with Kroger's financial results reported in accordance with GAAP.

The following table provides a reconciliation of total debt to net total debt and compares the balance in the first quarter of 2008 to the balances in the first quarter of 2007 and the fourth quarter of 1999.

	May 24, 2008	May 26, 2007	Change	January 29, 2000	Change
Current portion of long-term debt, at face value, including capital leases and lease-financing obligations	\$ 526.9	\$ 1,413.9	\$ (887.0)	\$ 591.5	\$ (64.6)
Long-term debt, at face value, including capital leases and lease-financing obligations	7,236.9	5,160.1	2,076.8	8,422.5	(1,185.6)
Adjustment to reflect fair value interest rate hedges	38.1	16.7	21.4	-	38.1
Total debt	\$ 7,801.9	\$ 6,590.7	\$ 1,211.2	\$ 9,014.0	\$ (1,212.1)
Temporary cash investments	(80.4)	(38.3)	(42.1)	-	(80.4)
Investments in debt securities	-	-	-	(68.8)	68.8
Prepaid employee benefits	(62.7)	(18.6)	(44.1)	(200.0)	137.3
Net total debt	\$ 7,658.8	\$ 6,533.8	\$ 1,125.0	\$ 8,745.2	\$ (1,086.4)