FLEMING COMPANIES INC /OK/
Form 8-K/A
June 14, 2002

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

(Amendment No. 2)

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
May 20, 2002

FLEMING COMPANIES, INC.
(Exact name of registrant as specified in its charter)

Oklahoma	1-8140	48-0222760
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1945 Lakepointe Drive, Lewisville, Texas 75057

(Address of Principal Executive Offices)
(Zip Code)

Registrant's telephone number, including area code: (972) 906-8000

Not Applicable
(Former name or former address, if changed since last report)

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

This Amendment No. 2 to Form 8-K amends and restates in its entirety Item 7(b) of the Form 8-K filed with the Securities and Exchange Commission on May 20, 2002, as amended by Amendment No. 1 on Form 8-K/A filed with the Securities and Exchange Commission on May 29, 2002, to conform the pro forma financial information to the additional disclosure set forth in the final prospectus supplements of Fleming Companies, Inc. ("Fleming") relating to its debt and equity offerings.

(b) Pro Forma Financial Information.

The following pro forma consolidated information has been derived by the application of pro forma adjustments to the consolidated financial statements of (i) Fleming as of April 20, 2002 and Core-Mark as of March 31, 2002; (ii) Fleming for the 52 weeks ended December 29, 2001 and Core-Mark for the 12 months ended December 31, 2001; (iii) Fleming for the 16 weeks ended April 20, 2002 and Core-Mark for the three months ended March 31, 2002; and (iv) Fleming for the 52 weeks ended April 20, 2002 and Core-Mark for the 12 months ended March 31, 2002.

The pro forma consolidated balance sheet gives effect to Fleming's proposed acquisition of Core-Mark (the "Acquisition") for approximately $295 million in cash, plus Fleming's assumption of all of Core-Mark's net debt outstanding as of the closing of the Acquisition (which we currently expect to be approximately $95 million, for a total purchase price of approximately $390 million) and the related financing transactions (together with the Acquisition, the "Transactions") as if they had occurred as of April 20, 2002. The pro forma consolidated statements of income give effect to the Acquisition and the related financing transactions as if they had occurred (i) on December 31, 2000, with respect to the pro forma consolidated statement of income for the 52 weeks ended December 29, 2001; (ii) on December 30, 2001, with respect to the pro forma consolidated statement of income for the 16 weeks ended April 20, 2002; and (iii) on April 22, 2001, with respect to the pro forma consolidated statement of income for the 52 weeks ended April 20, 2002. The adjustments necessary to fairly present this pro forma consolidated financial information have been made based on available information and in the opinion of Fleming's management are reasonable and are described in the accompanying notes. This pro forma information reflects our assumption that the Acquisition will be financed by a combination of borrowings under a new credit facility and public offerings of debt and equity. The pro forma consolidated financial information should not be considered indicative of actual results that would have been achieved had the Acquisition and the related financing transactions been consummated on the respective dates indicated and do not purport to indicate balance sheet data or income statement data as of any future date or for any future period. We cannot assure you that the assumptions used in the preparation of the pro forma consolidated financial information will prove to be correct.

The pro forma adjustments were applied to the historical consolidated financial statements to reflect and account for the Acquisition and the related financing transactions. As a result, these adjustments have no impact on the historical basis of the assets and liabilities. Our purchase of Core-Mark is not complete. We expect to complete the Acquisition in June 2002. Our allocation of the agreed-upon purchase price will depend on the fair values of the assets and liabilities at the date of the Acquisition. Our final allocation of purchase price may differ from this presentation due to potential changes in working capital, our fair value analysis of leases, and the appraisal results for identifiable intangibles.

PRO FORMA COMBINING BALANCE SHEET INFORMATION
FOR FLEMING AS OF APRIL 20, 2002
(IN THOUSANDS)

	FLEMING	CORE-MARK	PRO F ADJUST
Assets			
Current Assets:			
Cash and cash equivalents	$ 3,974	$ 23,542	$ (23
Cash held by Trustee for refinancing	263,125		
Receivables, net	588,321	130,902	
Inventories	954,174	118,278	52
Assets held for sale	28,666	--	
Other current assets	76,169	8,610	(27
Total current assets	1,914,429	281,332	1
Investments and notes receivable, net	102,073	--	
Investment in direct financing leases	76,941	--	
Property and equipment	1,676,372	77,970	(46
Less accumulated depreciation and amortization	(734,388)	(46,555)	46
Net property and equipment	941,984	31,415	
Other assets	233,693	6,034	75
Goodwill, net	554,388	57,684	166
Total assets	$ 3,823,508	$ 376,465	242
Liabilities and shareholders' equity			
Current liabilities:			
Accounts payable	$ 835,205	$ 114,972	$
Current maturities of long-term debt	39,747	76,000	(111
Current obligations under capital leases	21,751	--	
Debt to be refinanced	263,125	--	
Other current liabilities	183,711	43,622	(4
Total current liabilities	1,343,539	234,594	(116
Long-term debt	1,527,016	75,000	246
Long-term obligations under capital leases	328,295	--	
Other liabilities	106,749	12,527	(2
Shareholders' equity:			
Common stock	111,661	55	22
Capital in excess of par value	562,235	26,121	120
Reinvested earnings (deficit)	(96,551)	37,443	(37
Accumulated other comprehensive income--			

Cumulative currency translation adjustments	--	(5,447)	5
Additional minimum pension liability	(59,436)	(3,828)	3
Total shareholders' equity	517,909	54,344	115
Total liabilities and shareholders' equity	$ 3,823,508	$ 376,465	$ 242

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NOTES TO UNAUDITED PRO FORMA COMBINING BALANCE SHEET
(DOLLARS IN THOUSANDS)

For the purpose of determining the pro forma effect of the transactions on Fleming's Consolidated Balance Sheet as of April 20, 2002, the following pro forma adjustments have been made:

(a) Cash and cash equivalents -
Reflect Core-Mark cash used to reduce debt

(b) Inventories:
Eliminate Core-Mark LIFO inventory reserve - offset to deferred tax
Eliminate Core-Mark LIFO inventory reserve - offset to goodwill

(c) Other current assets:
Reclass Core-Mark current deferred tax liability to Fleming current deferred tax asset
Eliminate Core-Mark LIFO inventory reserve (see note (b))
Eliminate Core-Mark prepaid pension amount

(d) Property and equipment:
Offset Core-Mark accumulated depreciation and amortization against cost of property and equipment with our initial assumption that net book value approximates fair value
Eliminate Core-Mark accumulated depreciation and amortization

(e) Other assets:
Reclass Core-Mark long-term deferred tax liability to Fleming long-term deferred tax asset
Eliminate existing Core-Mark deferred financing costs due to early debt retirement
Reflect estimated financing costs from the debt portion of the transaction
Reflect deferred tax adjustment on Core-Mark pension liability
Reflect estimate of other intangibles acquired as a result of this transaction

(f) Goodwill, net:
Eliminate existing Core-Mark net goodwill
Reflect goodwill from this transaction

(g) Current maturities of long-term debt:
Reflect payment of existing Core-Mark debt
Reflect current maturity of new term loan
Repay existing term loan

(h) Other current liabilities -
Reclass Core-Mark current deferred tax liability to Fleming current deferred tax asset (see note (c))

(i) Long-term debt:
Payment of existing Core-Mark debt
Reflect redemption premium on existing Core-Mark debt
Reflect new financing to fund the transaction
Repay existing term loan and credit facility
Reflect estimated transaction fees:
Debt (see note (e))
Equity (see note (k))
Merger and acquisition

(j) Other liabilities:
Reclass Core-Mark long-term deferred tax liability
to Fleming long-term deferred tax asset (see note (e))
Adjust Core-Mark post-retirement liability

(k) Shareholders' equity:
Eliminate Core-Mark common stock
Issue Fleming common stock ($2.50 par value, 9,200 shares)

Eliminate Core-Mark common stock - excess capital impact
Issue Fleming common stock - excess capital impact ($19.40 per share less par value,

9,200 shares)
Reflect equity transaction fees

Eliminate Core-Mark retained earnings

Eliminate Core-Mark currency translation adjustments

Eliminate Core-Mark additional minimum pension liability

PRO FORMA COMBINING INCOME STATEMENT INFORMATION
FOR FLEMING 52 WEEKS ENDED DECEMBER 29, 2001
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	FLEMING	CORE-MARK	PRO FO ADJUST
Net sales	$ 15,558,102	$3,425,024	$
Costs and expenses (income):			
Cost of sales	14,368,199	3,211,160	7
Selling and administrative	960,590	169,691	(6
Interest expense	165,534	12,395	1
Interest income and other	(24,053)	--	
Impairment/restructuring credit	(23,595)	--	
Litigation charge	48,628	--	
Total costs and expenses	15,495,303	3,393,246	2
Income before taxes	62,799	31,778	(2
Taxes on income(f)	36,022	14,268	(
Income before extraordinary charge(g)	26,777	17,510	(1
Extraordinary charge from early retirement of debt (net of taxes)	(3,469)	--	
Net income(g)	$ 23,308	$ 17,510	$ (1
Basic income per share:			
Income before extraordinary charge(f)(h)	$ 0.63		
Extraordinary charge from early retirement of debt (net of taxes)	(0.08)		

Net income(f)(h)	$ 0.55
Diluted income per share:	
Income before extraordinary charge(f)(i)	$ 0.60
Extraordinary charge from early retirement of debt (net of taxes)	(0.08)
Net income(f)(i)	$ 0.52
Weighted average shares outstanding:	
Basic	42,588
Diluted(i)	44,924

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PRO FORMA COMBINING INCOME STATEMENT INFORMATION
FOR FLEMING 16 WEEKS ENDED APRIL 20, 2002
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	FLEMING	CORE-MARK	PRO FORMA ADJUSTMENTS	PRO
Net sales	$ 4,686,139	$ 825,153	$ --	$ 5,
Costs and expenses (income):				
Cost of sales	4,346,460	774,297	18,711 (a)	5,
Selling and administrative	255,012	41,463	(17,312)(b)	
Interest expense	50,413	2,806	5,068 (c)	
Interest income and other	(6,966)	--	(141)(d)	
Total costs and expenses	4,644,919	818,566	6,326	5,
Income before taxes	41,220	6,587	(6,326)	
Taxes on income	16,611	2,832	(2,728)(e)	
Net income	$ 24,609	$ 3,755	$ (3,598)	$
Basic income per share	$ 0.56			$
Diluted income per share	$ 0.52			$
Weighted average shares outstanding:				
Basic	44,175		9,200 (j)	
Diluted	50,601		9,200 (k)	

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PRO FORMA COMBINING INCOME STATEMENT INFORMATION
FOR FLEMING 52 WEEKS ENDED APRIL 20, 2002
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	FLEMING	CORE-MARK	PRO FORMA ADJUSTMENTS	PRO
Net sales	$ 16,106,882	$ 3,495,911	$ --	$ 19,
Costs and expenses (income):				
Cost of sales	14,943,544	3,280,336	77,425 (a)	18,
Selling and administrative	898,289	169,004	(65,000)(b)	1,
Interest expense	158,445	11,841	13,748 (c)	
Interest income and other	(22,098)	--	(736)(d)	
Impairment/restructuring charge	3,264	--	--	
Litigation charge	48,628	--	--	
Total costs and expenses	16,030,072	3,461,181	25,437	19,
Income before taxes	76,810	34,730	(25,437)	
Taxes on income(f)	40,890	15,467	(8,393)(e)	
Net income(g)	$ 35,920	$ 19,263	$ (17,044)	$
Basic income per share(f)(h)	$ 0.82			$
Diluted income per share(f)(i)	$ 0.79			$
Weighted average shares outstanding:				
Basic	43,813		9,200 (j)	
Diluted(i)	50,866		4,245 (k)	

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NOTES TO UNAUDITED PRO FORMA COMBINING INCOME STATEMENTS
(DOLLARS IN THOUSANDS)

Fleming's Financial Statements for the 52 weeks ended December 29, 2001 reflect
the retroactive reclassification to decrease net sales and cost of sales by

approximately $70 million with no effect on gross margin due to the adoption of EITF 01-9. Core-Mark early adopted EITF 01-9 in 2001.

For the purpose of determining the pro forma effect of the transactions on Fleming's Consolidated Income Statement for the 52 weeks ended April 20, 2002, the Consolidated Income Statement information for Fleming's 16 weeks ended April 20, 2002 was combined with the Consolidated Income Statement information for Fleming's 52 weeks ended December 29, 2001, and the Consolidated Income Statement information for Fleming's 16 weeks ended April 21, 2001 was subtracted. Fleming has presented information for the 52 weeks ended April 20, 2002 because Fleming's first quarter of 2001 includes results related to our disposition of conventional retail operations.

For the purpose of determining the pro forma effect of the transactions on Fleming's Consolidated Income Statements for the 52 weeks ended December 29, 2001, the 16 weeks ended April 20, 2002 and the 52 weeks ended April 20, 2002, the following pro forma adjustments have been made:

(a) The adjustment to cost of sales reflects the following:

	FLEMING 52 WEEKS ENDED DECEMBER 29, 2001	FLEMING 16 WEEKS ENDED APRIL 20, 200
Reclass Core-Mark distribution and warehouse expense from selling and administrative (see note (b))............	$ 76,680	$ 18,711

(b) The adjustment to selling and administrative reflects the following:

	FLEMING 52 WEEKS ENDED DECEMBER 29, 2001	FLEM WEEK APRIL
Reclass Core-Mark distribution and warehouse expense to cost of sales (see note (a))..	$(76,680)	$ (
Eliminate Core-Mark goodwill amortization............................	(2,083)	
Amortize goodwill acquired as a result of the transaction (estimate of 20 years)..	11,190	
Amortize other intangible assets acquired as a result of the transaction (estimate of 10 years)..............................	5,595	
	$(61,978)	$ (

(c) The adjustment for interest expense reflects the following:

	FLEMING 52 WEEKS ENDED DECEMBER 29, 2001	FLEM WEEK APRIL
Reclassify Core-Mark interest income from interest expense (see note (d))..............................	$ 834	$
Eliminate Core-Mark interest expense to reflect debt repayment..	(13,229)	(
Reflect Fleming interest expense on new financing to fund the transaction....................................	25,589	
	$ 13,194	$

(d) The adjustment for interest income and other reflects the following:

	FLEMING 52 WEEKS ENDED DECEMBER 29, 2001	FLEM WEEK APRIL
Reclassify Core-Mark interest income from interest expense (see note (c))....................................	$ (834)	$

(e) The adjustment for taxes on income reflects the following:

	FLEMING 52 WEEKS ENDED DECEMBER 29, 2001	FLEM WEEK APRIL
Eliminate Core-Mark taxes on income...............................	$ (14,268)	$
Reflect tax provision on Core-Mark results of operations net of pro forma adjustments.....................................	6,363	
	$ (7,905)	$

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(f) The pro forma combined effective tax rates of 63% for the 52 weeks ended December 29, 2001 and 56% for the 52 weeks ended April 20, 2002 include the impact of an unusual tax gain related to our disposition of non-strategic retail operations and the pro forma amortization of goodwill from our planned acquisition of Core-Mark, most of which would not have been tax deductible. Our effective tax rate for both periods would have been approximately 40% absent these two items since we will not amortize goodwill in accordance with SFAS 142 and do not anticipate another similar tax gain. For the 52 weeks ended December 29, 2001, our effective tax rate of approximately 40% would have represented a pro forma combined tax expense of $27.3 million, net income before extraordinary item of $40.2 million, net income of $36.8 million, basic income per share before extraordinary item of $0.78, basic income per share of $0.71, diluted income per share before extraordinary item of $0.74 and diluted income per share of $0.67. For the 52 weeks ended April 20, 2002, our effective tax rate of approximately 40% would have represented a pro forma combined tax expense of $34.0 million, net income of $52.1 million, basic income per share of $0.98 and diluted income per share of $0.95.

(g) On December 30, 2001 we adopted SFAS 142, Accounting for Goodwill and Other Intangible Assets. If we had applied the nonamortization provisions of SFAS 142 to all periods presented, our pro forma combined income before extraordinary charge for the 52 weeks ended December 29, 2001, would have been $56 million and our pro forma combined net income would have been $52 million for the 52 weeks ended December 29, 2001, and $60 million for the 52 weeks ended April 20, 2002. Our historical numbers include goodwill amortization of $21 million for the year ended December 29, 2001 and $15 million for the 52 weeks ended April 20, 2002. If we had applied the nonamortization provisions of SFAS 142 to our historical amounts, our income before extraordinary item for the year ended December 29, 2001 would have been $46 million ($1.01 per diluted share) and our net income would have been $42 million ($0.94 per diluted share) for the year ended December 29, 2001 and $49 million ($1.06 per diluted share) for the 52 weeks ended April 20, 2002.

(h) See note (g). If we had applied the nonamortization provisions of SFAS 142 to all periods presented, our pro forma combined basic earnings per share before extraordinary charge for the 52 weeks ended December 29, 2001, would have been $1.07 per share, our pro forma combined basic earnings per share would have been $1.00 for the 52 weeks ended December 29, 2001 and $1.13 for the 52 weeks ended April 20, 2002.

(i) See note (g). If we had applied the nonamortization provisions of SFAS 142 to all periods presented, our pro forma combined diluted earnings per share before extraordinary charge for the 52 weeks ended December 29, 2001, would have been $1.02 and our pro forma combined diluted earnings per share would have been $0.96 for the 52 weeks ended December 29, 2001, and $1.08 for the 52 weeks ended April 20, 2002. Our 5 1/4% convertible notes would be dilutive for all periods presented. The diluted weighted average shares would have been 58,072,000 shares for the 52 weeks ended December 29, 2001 and 60,066,000 shares for the 52 weeks ended April 20, 2002.

(j) The adjustment for basic weighted average shares outstanding reflects the following:

	FLEMING 52 WEEKS ENDED DECEMBER 29, 2001	FLEM WEEK APRIL
Reflect Fleming common shares issued to partially fund the transaction (including the exercise of the underwriters' over-allotment option)...	9,200	9

(k) The adjustment for diluted weighted average shares outstanding reflects the following:

	FLEMING 52 WEEKS ENDED DECEMBER 29, 2001	FLEM WEEK APRIL
Reflect Fleming common shares issued to partially fund the transaction (including the exercise of the underwriters' over-allotment option)...	9,200	9
Reflect adjustment to Fleming's diluted weighted average shares outstanding due to the impact of Fleming's 5 1/4% convertible notes (anti-dilutive for the 52 weeks ended April 20, 2002)..	--	-
	9,200	9

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 hereunto duly authorized.

FLEMING COMPANIES, INC.

By: /s/ MATTHEW H. HILDRETH

Matthew H. Hildreth
Senior Vice President -- Finance
and Treasurer

Dated: June 14, 2002