



## News Release

### Albertsons and Safeway Confirm Agreements to Sell 168 Stores in Eight States to Four Buyers

#### Subject to FTC approval, divested stores will continue to operate as competing grocery stores

BOISE, Idaho and PLEASANTON, Calif., Dec. 19, 2014 /PRNewswire/ -- AB Acquisition LLC (Albertsons) and Safeway Inc. (NYSE: SWY) announced today that they have entered into agreements, subject to approval by the Federal Trade Commission (FTC), to sell 168 stores across eight states to four buyers:

- Associated Food Stores (AFS) will purchase eight stores in Montana and Wyoming;
- Associated Wholesale Grocers (AWG) / Minyard's will purchase 12 stores in Texas;
- SUPERVALU will purchase two stores in Washington; and
- Haggen will purchase 146 stores across Arizona, California, Nevada, Oregon and Washington.



Divestiture of these stores is being undertaken in order to secure FTC clearance of the companies' proposed merger, which was announced in March and is expected to close in January 2015. The purchase agreements with the four buyers are all subject to approval by the FTC.

Under the terms of the purchase agreements, the buyers will acquire the stores, equipment and inventory, and they intend to hire most, if not all, of the store employees upon the closing of the purchase of the stores. For a complete list of stores to be divested, please visit: <http://www.albertsons.com/tellmemore>.

"We're pleased to have found strong buyers for these stores and to have completed this important step toward combining Albertsons and Safeway," said Safeway President and Chief Executive Officer Robert Edwards, who will serve as the combined company's President and CEO. "We look forward now to the transaction's close, so we can begin working together to enhance the loyalty of grocery shoppers by delivering high quality products, great service and lower prices to become the favorite local supermarket in every neighborhood we serve."

#### **About Safeway Inc.**

Safeway Inc., which operates Safeway, Vons, Pavilions, Randalls, Tom Thumb and Carrs stores, is a Fortune 100 company and one of the largest food and drug retailers in the United States with sales of \$35.1 billion in 2013. The company operates 1,326 stores in 20 states and the District of Columbia, 13 distribution centers and 19 manufacturing plants, and employs approximately 138,000 employees. The company's common stock is

currently traded on the New York Stock Exchange (NYSE) under the symbol SWY. The company will be delisted from the NYSE upon closing of the merger. For more information, please visit [www.Safeway.com](http://www.Safeway.com).

### **About Albertsons**

Established in 2006, AB Acquisition LLC (Albertsons), which operates ACME, Albertsons, Jewel-Osco, Lucky, Shaws, Star Market and Super Saver, and stores under the United Family of stores, Amigos, Market Street and United Supermarkets, is working to become the favorite food and drug retailer in every area it serves. The company is privately owned by Cerberus Capital Management, Kimco Realty Corporation, Klaff Realty, Lubert-Adler Partners and Schottenstein Stores Corporation, and currently operates 1,081 stores and 14 distribution centers in 29 states and employs approximately 115,000 associates. For more information, please visit [www.Albertsons.com](http://www.Albertsons.com).

### **Forward-Looking Statements**

This press release contains certain "forward-looking" statements as that term is defined by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are indicated by words such as "expects," "will," "plans," "intends," "committed to," "estimates" and "is." No assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur. Accordingly, actual results may differ materially and adversely from those expressed in any forward-looking statements. Neither Safeway nor any other person can assume responsibility for the accuracy and completeness of forward-looking statements. There are various important factors that could cause actual results to differ materially from those in any such forward-looking statements, many of which are beyond Safeway's control. These factors include: failure to obtain, delays in obtaining or adverse conditions contained in any required regulatory or other approvals; failure to consummate or delay in consummating the transactions described herein for any other reasons; changes in laws or regulations; and changes in general economic conditions. Safeway undertakes no obligation (and expressly disclaims any such obligation) to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. For additional information please refer to Safeway's most recent Form 10-K, 10-Q and 8-K reports filed with the Securities and Exchange Commission.

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