

Comprehensive Divestiture Plan with C&S Wholesale Grocers, LLC

ABOUT C&S WHOLESALE GROCERS



- One of the largest privately held companies in the US
- Industry leader in wholesale grocery supply and supply chain solutions, with a strong track record as a successful grocery retailer
- Strong foundation of retail experience with Piggly Wiggly® franchise and corporate-owned stores in the Midwest and Carolinas and Grand Union totaling more than 160 retail locations
- Provides end-to-end wholesale, supply and marketing services to its retailer customers
- Purchases more than 100,000 products through wholesale and retail operations, giving it the ability to provide best product selection and pricing available
- FTC-approved divestiture buyer in prior grocery transactions
- Depth of industry knowledge, financial strength and commitment to growing its associates' careers makes C&S the right fit to ensure the divested stores, distribution centers and offices grow and thrive for years to come

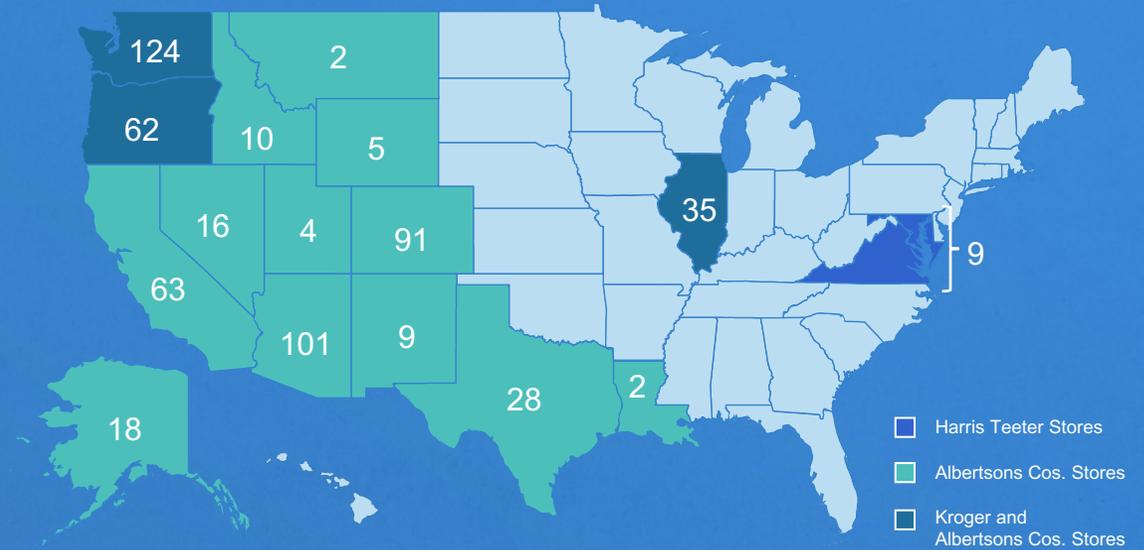
104 years

Food industry experience

7,500+

Independent supermarkets, retail chain stores and military bases supplied

Divested Stores



Core Assets

- 579 Stores
 - Incl. any associated fuel centers and pharmacies
- QFC, Mariano's, Carrs and Haggen brand names¹
- Exclusive Licensing Rights to Albertsons Brand Name in California and Wyoming and the Safeway Brand Name in Arizona and Colorado
- Debi Lilly Design, Primo Taglio, Open Nature, ReadyMeals[®] and Waterfront Bistro private label brands

Comprehensive Operational Infrastructure

- Broad distribution capacity with different and larger distribution centers than those contemplated in initial agreement
- Expansive corporate and office infrastructure to support increased store set of the distribution package
- Expert district, division and functional associates
- Extensive transition services agreements

Divestiture Plan Delivers on our Commitments

- No stores will close as a result of merger
- All frontline associates will remain employed
- Existing collective bargaining agreements honored
- Continued investment for growth
- Secures industry-leading benefits
- Extends competitor in new geographies

1. Stores currently under these banners that are retained by Kroger will be re-bannered into one of the retained Kroger or Albertsons Cos. banners following the close of the transaction. In the four states where C&S will have the license to the Albertsons banner, Kroger will re-banner the owned stores following the close of the merger with Albertsons Cos. Kroger will maintain the Albertsons banner in the remaining states.