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an opinion, the reported values are not necessarily a measure of current market value and may not reflect the amount which would be received if the property were sold today. While we and the underwriters are not aware of any misstatements regarding any appraisals, market, industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the sections entitled "Special Note Regarding Forward-Looking Statements" and "Risk Factors" in this prospectus.

**NON-GAAP FINANCIAL MEASURES**

We define EBITDA as generally accepted accounting principles ("GAAP") earnings (net income (loss)) before interest, income taxes, depreciation, and amortization. We define Adjusted EBITDA as earnings (net income (loss)) before interest, income taxes, depreciation, and amortization, further adjusted to eliminate the effects of items management does not consider in assessing our ongoing performance. We define Adjusted Net Income as GAAP net income (loss) adjusted to eliminate the effects of items management does not consider in assessing ongoing performance. See "Prospectus Summary—Summary Consolidated Historical and Pro Forma Financial and Other Data" for further discussion and a reconciliation of Adjusted EBITDA and Adjusted Net Income.

EBITDA, Adjusted EBITDA and Adjusted Net Income (collectively, the "Non-GAAP Measures") are performance measures that provide supplemental information we believe is useful to analysts and investors to evaluate our ongoing results of operations, when considered alongside other GAAP measures such as net income, operating income and gross profit. These Non-GAAP Measures exclude the financial impact of items management does not consider in assessing our ongoing operating performance, and thereby facilitate review of our operating performance on a period-to-period basis. Other companies may have different capital structures or different lease terms, and comparability to our results of operations may be impacted by the effects of acquisition accounting on our depreciation and amortization. As a result of the effects of these factors and factors specific to other companies, we believe EBITDA, Adjusted EBITDA and Adjusted Net Income provide helpful information to analysts and investors to facilitate a comparison of our operating performance to that of other companies. We also use Adjusted EBITDA, as further adjusted for additional items defined in our debt instruments, for board of director and bank compliance reporting. Our presentation of Non-GAAP Measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

**Non-GAAP Measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our operating results or cash flows as reported under GAAP. Some of these limitations are:**

- Non-GAAP Measures do not reflect the anticipated synergies associated with the Safeway acquisition;
- Non-GAAP Measures do not reflect certain one-time or non-recurring cash costs to achieve the anticipated synergies associated with the Safeway acquisition;
- Non-GAAP Measures do not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA and Adjusted EBITDA do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our debt;
- Although depreciation and amortization are non-cash charges, the assets being depreciated or amortized may have to be replaced in the future, and EBITDA and Adjusted EBITDA and, with respect to acquired intangible assets, Adjusted Net Income, do not reflect any cash requirements for such replacements;