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The following map represents our regional banners and combined store network as of June 20, 2015. We also operate 30 strategically located distribution centers and 21 manufacturing facilities. Approximately 48% of our operating stores are owned or ground-leased. Together, our owned and ground-leased properties have a value of approximately \$10.5 billion.



#### OUR COMPETITIVE STRENGTHS

We believe the following strengths differentiate us from our competitors and contribute to our ongoing success:

*Powerful Combination of Strong Local Presence and National Scale.* We operate a portfolio of well-known banners with both strong local presence and national scale. We have leading positions in many of the largest and fastest-growing MSAs in the United States. Given the long operating history of our banners, many of our stores form an important part of the local communities and neighborhoods in which they operate and occupy "First-and-Main" locations. We believe that our combination of local presence and national scale provides us with competitive advantages in brand recognition, customer loyalty and purchasing, marketing and advertising and distribution efficiencies.

*Best-in-Class Management Team with a Proven Track Record.* We have assembled a best-in-class management team with decades of operating experience in the food and drug retail industry. Our Chairman and Chief Executive Officer, Bob Miller, has over 50 years of food and drug retail experience, including serving as Chairman and CEO of Fred Meyer and Rite Aid and Vice Chairman of Kroger. We have created an Office of the CEO to set long-term strategy and annual objectives for our 14 divisions. The Office of the CEO is comprised of Bob Miller, Wayne Denningham (Chief Operating Officer), Justin Dye (Chief Administrative Officer) and Shane Sampson (Chief Marketing and Merchandising Officer), each of whom brings significant leadership and operational experience with long tenures at our company and within the industry. Our Executive and Senior Vice Presidents and our division, district and store-level leadership teams are also critical to the success of our business. Our nine Executive Vice Presidents, 15 Senior Vice Presidents and 14 division Presidents have an average of almost 23, 24 and 32 years of service, respectively, with our company.