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OUR CORPORATE STRUCTURE

Our business is currently conducted through our operating subsidiaries, which are wholly-owned by AB Acquisition. The equity interests of AB Acquisition immediately prior to the IPO-Related Transactions were owned (directly and indirectly) by entities affiliated with our Sponsors and certain current and former members of our management, whom we refer to as our "Existing Owners." Albertsons Companies, Inc. is a newly formed entity.

In order to effectuate this offering, we expect to effect the following series of transactions prior to and/or concurrently with the closing of this offering that will result in the reorganization of our business so that it is owned by Albertsons Companies, Inc. Specifically, (i) our Existing Owners, other than KRS AB Acquisition, LLC and KRS ABS, LLC (collectively, "Kimco") and Albertsons Management Holdco, LLC ("Management Holdco"), will contribute all of their direct and indirect equity interests in AB Acquisition to Albertsons Investor Holdings LLC ("Albertsons Investor"), including their interests in NAI Group Holdings Inc. ("NAI Group Holdings") and Safeway Group Holdings Inc. ("Safeway Group Holdings"), (ii) Albertsons Investor, Kimco and Management Holdco will contribute all of their equity interests in AB Acquisition to Albertsons Companies, Inc. in exchange for common stock of Albertsons Companies, Inc., (iii) NAI Group Holdings, Safeway Group Holdings and other special purpose corporations owned by certain of the Sponsors through which they invested in AB Acquisition will be merged with and into Albertsons Companies, Inc., with Albertsons Companies, Inc. remaining as the surviving corporation in the mergers and (iv) certain stores owned by Albertson's LLC will be contributed to a newly formed subsidiary, Albertson's Stores Sub LLC, which subsidiary will be distributed to its ultimate owner AB Acquisition, AB Acquisition will transfer all of its equity interests in Albertson's Holdings LLC and NAI Holdings LLC to Albertsons Companies, Inc. and Albertson's Holdings LLC will be merged with and into Albertsons Companies, Inc. with Albertsons Companies, Inc. remaining as the surviving corporation in the merger. In addition, we expect to effect the merger of NAI Holdings LLC with and into Albertsons Companies, Inc. following the closing of this offering. As a result of the foregoing transactions, an aggregate of 349,832,761, 56,429,497 and 3,570,701 shares of our common stock will be owned by Albertsons Investor, Kimco and Management Holdco, respectively.

The chart below summarizes our corporate structure after giving effect to this offering and the IPO-Related Transactions, but before giving effect to dilution from outstanding restricted stock units or the exercise of the underwriters' option to purchase additional shares:



For a further discussion of the IPO-Related Transactions, see "IPO-Related Transactions and Organizational Structure."