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On July 19, 2015, we entered into an asset purchase agreement, pursuant to which our wholly owned subsidiary, Acme Markets, Inc. ("Acme Markets") agreed to acquire 76 stores operated by A&P pursuant to Section 363 of Chapter 11 of the United States Bankruptcy Code. We have exercised our right to exclude certain stores from our purchase and, as a result, we will purchase 71 stores. We have also proposed to acquire an additional store (subject to higher or better bids). The purchase price for the 71 stores is approximately \$319 million, including the cost of acquired inventory. In addition, we will assume certain operating leases with a gross lease obligation of \$323 million. The acquired stores, which are principally located in the northern New York City suburbs, northern New Jersey and the greater Philadelphia area, are complementary to Acme Markets existing store and distribution base and will be re-bannered as *Acme* stores. The 71 stores had sales of \$1.45 billion during A&P's last fiscal year ended April 30, 2015. We expect to incur approximately \$126 million of one-time opening and transition costs and capital expenditures to remodel and remerchandise the stores and to invest in price and labor. We anticipate achieving synergies of approximately \$48 million within four years of completion of the acquisition. We funded an initial deposit of approximately \$64 million into an escrow account on July 20, 2015. We intend to fund the balance of the purchase price from available cash. We refer to this potential acquisition in this prospectus as the "A&P Transaction."

The A&P Transaction received approval from the United States Bankruptcy Court for the Southern District of New York on September 21, 2015 and the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act terminated on September 15, 2015. We completed the acquisition of an initial A&P store on September 29, 2015, and we expect the acquisition of the remaining A&P stores to be completed on a staggered basis during the third quarter of fiscal 2015.

Our company and A&P participate in four of the same multiemployer pension plans. The bankruptcy of A&P is expected to adversely affect the funding of these pension plans. Our bid also includes some of the A&P stores that contribute to five plans to which we do not contribute. We estimate that our share of the unfunded actuarial liability in the four plans to which we and A&P both contribute would increase by approximately \$58 million for the stores we intend to acquire, and that our share of the unfunded actuarial liability in the additional five plans would be approximately \$23 million. The A&P Transaction involves certain risks associated with integrating this acquisition with our business and the achievement of expected synergies. See "Risk Factors—Risks Related to the Safeway and A&P Acquisitions and Integration."

Anticipated Refinancing

We have had preliminary discussions with potential lenders, financial intermediaries and advisors and following the consummation of this offering, subject to market conditions, we intend to enter into new financing facilities, consisting of a new \$4,000 million senior secured ABL facility (the "New ABL Agreement"), a new senior secured term loan facility (which we expect to be in the form of an amended and restated version of the existing ABS/Safeway Term Loan Agreement (as defined herein) (the "New Term Loan Agreement," and together with the New ABL Loan Agreement, the "New Credit Facilities")), and new senior unsecured notes (the "New Notes," and together with the New Credit Facilities, the "New Financing Facilities"). We refer to these refinancings as the "Anticipated Refinancing." If we enter into the New Financing Facilities, we may use the proceeds thereof to repay all amounts outstanding under, and to terminate, the ABS/Safeway ABL Agreement, the NAI ABL Agreement and the Letter of Credit Facility Agreement (each as defined herein and collectively, the "Specified Existing Facilities")