

**Table of Contents**

- (1) For the period from February 21, 2014 to January 30, 2015, our consolidated financial statements include the financial position, results of operations and cash flows of Albertsons, NAI and United. Commencing on January 31, 2015, our consolidated financial statements also include the financial position, results of operations and cash flows of Safeway.
- (2) The pro forma information for fiscal 2014, the first quarter of fiscal 2014 and the 12 months ended June 20, 2015 includes the pre-combination results of operations of Safeway and pro forma adjustments for the effects of the Safeway Transactions, as if the Safeway Transactions had been consummated on the first day of fiscal 2014. Additionally, the pro forma information for fiscal 2014, the first quarter of fiscal 2014, the first quarter of fiscal 2015 and the 12 months ended June 20, 2015 reflects the IPO-Related Transactions and the issuance of shares of our common stock in this offering and the application of the estimated net proceeds thereof (as described in "Use of Proceeds"), as if these events had occurred on the first day of fiscal 2014. This assumes net proceeds of this offering to us of \$1,531 million (assuming no exercise of the underwriters' option to purchase additional shares), based on an initial public offering price of \$24.50 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses. See "Unaudited Pro Forma Condensed Consolidated Financial Information" for a presentation of such pro forma financial data for fiscal 2014.

For the first quarter of fiscal 2015, a \$1.00 increase in the assumed initial public offering price of \$24.50 per share (the midpoint of the price range set forth on the cover page of this prospectus) would have resulted in pro forma net loss of \$108 million and pro forma net loss per share-basic of \$0.23, and a \$1.00 decrease in the assumed initial public offering price of \$24.50 per share would have resulted in pro forma net loss of \$110 million and pro forma net loss per share-basic of \$0.23, in each case, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remained the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses. Similarly, a decrease of one million shares in the number of shares offered by us, as set forth on the cover of this prospectus, would have resulted in pro forma net loss of \$109 million and pro forma net loss per share-basic of \$0.23, assuming the assumed initial public offering price of \$24.50 per share (the midpoint of the price range set forth on the cover page of this prospectus) remained the same and after deducting the estimated underwriting discounts and commissions and estimated expenses. An increase of one million shares in the number of shares offered by us, as set forth on the cover page of this prospectus, assuming no change in the assumed initial public offering price of \$24.50 per share, would have resulted in pro forma net loss of \$110 million and pro forma net loss per share—basic of \$0.23. The above assumes that any resulting change in net proceeds increases or decreases the amount used to repay indebtedness.

For fiscal 2014, a \$1.00 increase in the assumed initial public offering price of \$24.50 per share (the midpoint of the price range set forth on the cover page of this prospectus) would have resulted in pro forma net loss of \$327 million and pro forma net loss per share-basic of \$0.69, and a \$1.00 decrease in the assumed initial public offering price of \$24.50 per share would have resulted in pro forma net loss of \$333 million and pro forma net loss per share-basic of \$0.70, in each case, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remained the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses. Similarly, a decrease of one million shares in the number of shares offered by us, as set forth on the cover of this prospectus, would have resulted in pro forma net loss of \$330 million and pro forma net loss per share-basic of \$0.69, assuming the assumed initial public offering price of \$24.50 per share (the midpoint of the price range set forth on the cover page of this prospectus) remained the same and after deducting the estimated underwriting discounts and commissions and estimated expenses. An increase of one million shares in the number of shares offered by us, as set forth on the cover page of this prospectus, assuming no change in the assumed initial public offering price of \$24.50 per share, would have resulted in pro forma net loss of \$329 million and pro forma net loss per share—basic of \$0.69. The above assumes that any resulting change in net proceeds increases or decreases the amount used to repay indebtedness.

- (3) The results of operations for fiscal 2012 and the period from February 22, 2013 through March 20, 2013 reflect the financial position, results of operations and cash flows of the Legacy Albertsons Stores acquired on June 2, 2006. Commencing on March 21, 2013, our consolidated financial statements also include the financial position, results of operations and cash flows of NAI. Commencing on December 29, 2013, our consolidated financial statements also include the financial position, results of operations and cash flows of United.
- (4) Gives effect to the items described in note 2 above as if they had occurred on the first day of fiscal 2014. See "Unaudited Pro Forma Condensed Consolidated Financial Information" for a presentation of such pro forma financial data.
- (5) Adjusted EBITDA is a non-GAAP measure defined 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 ongoing performance. Adjusted Net Income is a non-GAAP measure defined as (net income (loss)) adjusted to eliminate the effects of items management does not consider in assessing ongoing performance. Pro forma amounts give effect to the items described in note 2 above, as applicable, as if they had occurred on the first day of our fiscal 2014.